

The NATIONAL UNDERWRITER

Life Insurance Edition

OUR "LEADERS" COME IN THE FAMILY SIZE



We asked the 161 members of our Leaders' Association to help us compile some statistics, and from these we determined that . . .

OUR AVERAGE LEADER

- ✓ Is married and has two children.
- ✓ Owns his own home and has a college degree.
- ✓ Owns \$60,000 of personal life insurance.
- ✓ Is 44 years old and has been with New England Mutual since 1938.
- ✓ Made 71 sales last year, for a total of \$803,000 of life insurance.

- ✓ Finds programming, family protection, and business insurance his most popular sales appeals.
- ✓ Makes 17 face-to-face calls a week to get seven business interviews.
- ✓ Completes his average sale in two calls.
- ✓ Forecasts the life insurance business in 1950 to be "As good as, or better than, last year".

In New England Mutual, a "Leader" is a career underwriter who sold \$500,000 of life insurance, or more, during the past year. In the insurance industry as a whole, a Leader is a man to be respected for his success in the business of selling security to America.

The NEW ENGLAND MUTUAL

Life Insurance Company of Boston

FIRST MUTUAL LIFE INSURANCE COMPANY CHARTERED IN AMERICA—1835

FRIDAY, MAY 19, 1950



It's a beautiful house, just what Bill and Mary Barclay always wanted. And now, finally it's all theirs . . . every part of it—including the mortgage.

It's the thought of the mortgage that keeps Bill up nights, making him a prisoner of his own fears. Suppose he were to die before the house was paid for. Then Mary and the children would have to give up the home they love so much.

If Bill Barclay only knew it, he could get rid of that mortgage worry tomorrow with a new low cost Union Central Mortgage Protection Policy.

Who put the bars on Mr. Barclay's house?

Yes, for a premium of less than \$50 a year, a man of 35 can protect a \$6,000 fifteen-year amortization mortgage. That's how low in cost such a policy can be. What's more, he doesn't even pay premiums for the full duration of his mortgage. He pays all the insurance on the mortgage years before the mortgage is paid off. But his mortgage protection continues in force until the mortgage is entirely paid.

The Mortgage Protection Policy is low cost for two big reasons: 1—because the face value of the policy goes down as the mortgage goes down, and 2—because it doesn't try to take care

of everything. *It just takes care of protecting the mortgage and charges only for that one job.*

A Union Central Mortgage Protection policy makes certain the family will inherit a *home* . . . not a *mortgage*.

* * *

The Union Central agent has a plan to meet every life insurance need. He has contracts ranging from Non-Convertible Term, the lowest premium policy of all, to Single Premium Endowment, the highest. Through these modern, liberal policies, he can provide the finest possible life insurance coverage for applicants from birth to age 65, inclusive.

The Union Central Life Insurance Company

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Tells Companies' Project to Forecast Demand for Funds

O'Leary of Life Insurance Assn. Addresses Wis. Commerce Conference

Two studies sponsored by Life Insurance Assn. of America and designed to shed light on the vital problem of the future demand for capital funds were described by Dr. James J. O'Leary, director of investment research of L.I.A., at the golden jubilee commerce conference of University of Wisconsin.

There are two schools of economic thought with respect to the long-range future demand for capital, said Dr. O'Leary. At one extreme there is the "mature economy" school, which holds that we will soon again face the difficulty of an inadequate volume of investment outlets to absorb the huge volume of savings generated at high employment, and the "new era" school, which holds that as a result of the recent war there is an entirely different economic situation which promises an enormous volume of investment outlets to absorb savings.

Both Short on Facts

The important thing to note about these two divergent views said Dr. O'Leary, is that neither group has much real factual basis to go on. Both base their outlook largely on speculative grounds.

One of the L.I.A. sponsored studies, "Savings and the American Capital Market," is being carried out under the direction of Dr. Raymond W. Goldsmith, formerly chief of the research section of the securities and exchange commission and will cost about \$140,000. The other, "Capital Requirements in the American Economy," is being conducted by Dr. Simon Kuznets of the National Bureau of Economic Research. L.I.A. is presently committed to a grant of \$200,000.

Describing the Goldsmith report, Dr. O'Leary said the purpose was to present the most accurate picture possible of the total flow of savings through the various channels into investment, year by year, during the course of the first half of this century. It will provide a large number of series on annual savings in our economy, a survey of consumer spending and saving during the last 20 years, estimates of national wealth at various dates and how this wealth has been held at various points of time during the first half of the century, and institutional changes which have taken place in the first half century in the functioning of the capital market, such as the shift from public distribution of securities to direct placements.

The Kuznets project is designed to shed light on the demand for capital funds from all sources during the next decade or more. The job will be a dif-

N. Y. Department to Revise "T" Rate Loading Formula

A new formula for determining minimum group life premiums will shortly be promulgated by the New York department, presumably by July 1, when companies will change over to the CSO table at 3% from the American Men at 3½%. The new ruling will ease rate restrictions on group companies entered in New York and improve their competitive position with non-New York insurers.

The department is still weighing statistics and no final decision on a new loading formula has been reached. It is understood, however, that the formula being considered will call for 10% of net premium plus a constant near \$2 per \$1,000 for smaller cases, graded downward for larger cases. The present formula is \$1.70 per \$1,000 plus 6½% of the gross premium.

The switch from the gross to the net premium basis is to provide a reducing constant factor in the rate. Expenses are proportionately higher on small cases than on large cases. Expense loading, unless graduated downward as the case increases, becomes redundant.

The New York department initiated the change in the formula to reduce rates but companies entered there are equally interested in a new formula for out of state competitive reasons.

Lower Premium on Big Cases

The proposed scale is said to be very close to the old "T" rate scale for normal age distribution but by reducing the constant expense factor it will result in an over-all lower premium on large cases.

The CSO table has much lower mortality rates at lower ages than the American Men table but it is balanced by higher premiums at the older ages. The interest element is of minor importance on term insurance.

The new formula is thought to be satisfactory for the average case. It won't stop rate deviations, however. Apparently non-New York companies will still have some advantage on smaller cases. Companies don't want to subject themselves to poor experience on smaller cases anyhow.

The "T" rate is not always decisive on big cases where employers are not interested in the initial rate alone. They know it may change at the end of a year and that eventually their costs will equal claims plus expenses. The "T" rate is frequently very impressive in smaller cases.

At a New York department hearing last week spokesmen for a number of group writing companies entered there expressed their views on the new formula.

difficult and complex one. One of the most important phases will be to determine what factors had led to investment in the past, such as population growth, the migration of population and industry, new inventions and other factors. Having measured the respective strength of these factors, an effort will be made to appraise the strength of these and possibly new factors in coming years.

Dr. O'Leary said that with the findings of these two projects the life insurance business should have some guidance on the problem of whether in coming years the demand for capital funds will be sufficient at something like present interest rates to absorb the total supply available at high national income levels.

Foes of Exclusive State Fund Get in Licks in Mass.

Arthur D. Cronin of the Kaler, Carney, Liffler & Co. general agency of Boston, testifying at a Massachusetts hearing against the majority report of the legislative recess commission on cash sickness insurance, declared that this report was in part "lifted verbatim" from federal documents and is "a piece of propaganda." The majority report recommended temporary disability benefits legislation in Massachusetts with a monopolistic state fund.

Mr. Cronin entered vigorous dissent. He charged that the majority report is propaganda for the federal security board. He went on to charge that labor is wedded to a philosophy which calls for progressive control over the personal life of individuals. "They find it necessary to use the state for this supervision and the insurance business just happens to be in their way." He contended, however, that the average workingman does not want to put the state in competition with private business.

C. of C. Opposes Any Move

Paul C. Reardon, general counsel for Boston Chamber of Commerce, said his organization is opposed to any cash sickness legislation at this time. Mr. Reardon declared the program would further shrink the profit margins of business, discourage expansion and impair the capacity to provide employment. He said it would hurt small business especially. The worst feature of the plan, he went on, is the injection of the state into the private business field and on a completely monopolistic basis.

Rep. Newton declared "if you socialize the insurance business, it is only a step to socializing everything else." Rep. Whittier advocated that the state straighten out the unemployment compensation fund before it tries to run another one. Edward F. Connelly of Associated Industries of Massachusetts said industry is opposed to any state fund of any nature whatsoever.

At an earlier hearing when the partisans of the majority report had an inning, Rep. Umana, a member of the commission, cited the California experience, in arguing for a monopolistic fund. In California he said the insurers seek out the better risks while the state fund gets most of the poorer lines. To this Rep. Chapman retorted that this actually constitutes the best argument for not having a state fund since business men know best where to place their money—they take the best risks. He disputed the claim that the state could operate the program for half the cost of private insurance. When private industry is doing a good job, he declared, it is not the duty of the state to step in and take it away from them.

Pleads for Competition

Rep. Vaughan predicted that unless there is at least competition, the state fund would be in a worse mess than it is under unemployment compensation. There is bound to be trouble so long as the people handing out the money are not the ones paying in the money.

Kenneth J. Kelley, legislative agent for Massachusetts Federation of Labor, declared that the state can administer the fund for a maximum of 6% whereas "insurance companies now doing this kind of business pocket from 40% to 50% as overhead and profits."

Gorman Stakes Out Anti-Trust Danger Zones

Former Justice Dep't Man Addresses Assn. of Life Insurance Counsel

WHITE SULPHUR SPRINGS — Insurance companies may freely and readily exchange factual data with respect to pending claims and may cooperate in the obtaining of such data without running afoul of the federal anti-trust laws but must act independently in the actual settlement of claims, in the opinion of Manuel M. Gorman, assistant counsel Life Insurance Assn. of America, who addressed the Assn. of Life Insurance Counsel meeting here this week.

M. M. Gorman

Mr. Gorman, a former member of the anti-trust staff of the Justice Department, said that in the joint handling of claims, exchanges of information regarding actual or proposed action fell within the danger zone.

"Obviously, action in concert designed to bring about similar action by all companies interested in a given claim would be even more dangerous," he said. "It is possible to spell out a theory, perhaps a somewhat attenuated one, of price-fixing where there is common action or agreement with respect to the settlement of a claim. At all odds, it appears to me that the dangers inherent in such a practice are such as to render it highly inadvisable."

Diversity of Thought

Mr. Gorman said that from time to time life company counsel have indicated to him that there is considerable diversity of thought as to the permissible scope of exchanges of information and joint activity with respect to claims. He said there are of course on adjudicated cases bearing directly on this subject and in addition the traditional concept of marketing is not fully applicable to the disposition of claims, since these may be said to involve the settlement of a contractual obligation rather than a sale in the normally accepted sense.

Thus it is difficult to approach all phases of these procedures in terms of absolutes. Nevertheless, Mr. Gorman said he thought he could indicate with some assurance an approach which would be within the zone of safety.

It seems to be quite clear, he said, that the exchange of factual data designed to facilitate the unilateral handling of claims by the individual companies is unobjectionable. Undoubtedly such information, even if acted upon independently, may in some cases bring about a relatively uniform action by a number of companies with respect to a given claim. Such action, however, would be based solely upon the individual discretion and judgment of each company.

Such information, he said, may also be likened to credit information and in-

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J. J. O'Leary



M. M. Gorman

ASSN. OF INSURANCE COUNSEL MEETING

Lawyers Discuss How to Improve, Clarify Agents' Contracts

WHITE SULPHUR SPRINGS—An item that might be considered important and troublesome but which appears to be ignored in many agency contracts is a provision for the payment of commissions on changes in plan, replacements and conversions, said John J. Magovern, Jr., associate counsel Mutual Benefit Life, at the spring meeting of the Assn. of Life Insurance Counsel here.

Mr. Magovern was the lead-off speaker of the Monday morning session devoted to an analysis of the agency contract and its variations. Other speakers were Daniel P. Cavanaugh, associate counsel Aetna Life, and Hugh S. Campbell, counsel Phoenix Mutual Life.

They studied 15 representative full-time contracts. Ten of them were of companies licensed in New York, of which five were manager companies and five general agency companies. Of the non-New York admitted companies two were manager and three general agency companies.

Disregarded by Six

Mr. Magovern, in discussing commissions on changes in plan, replacements and conversions, said that six of the 15 companies disregard these items and two merely provide that commissions will be payable in such instances in accordance with company rules. Of the 11 contracts which provide for commissions on reinstatement after a policy has been in default for a specified period, seven make the commission payable to the agent procuring the reinstatement, while four provide that the original agent, if still under contract and procuring the reinstatement is entitled to the commission.

Mr. Magovern noted that 14 of the 15 contracts examined clearly stated that the right of the agent to commissions would cease after a policy had been in default for a specified period, and that this oblique approach may very well give the companies wide latitude in meeting a situation that is somewhat clouded.

Eight of the contracts stipulate that no commissions will be payable in respect to a policy which replaces one lapsing within a given time after issuance of the second contract. Another states that commissions in such cases will be subject to company rules. The others make no reference to such a situation. All contracts provide that in the event of a policy being canceled by the company the agent will have to repay any commission that might have been paid to him.

Disability Waiver Effect

Only two contracts affirmatively provide that the agent is to receive commissions where premiums are paid by loan, while no company agrees to pay commissions on premiums waived under disability.

All contracts provide vesting of renewals on the agent's death and 11 vest them in case of disability, but only nine arrange for vesting on the agent's retirement.

The study did not cover amounts of commissions paid by the various companies.

Mr. Magovern said that he suspected that a number of the provisions dealing with an agent's appointment and authority, and particularly their limitation, reflect individual difficulties which the various companies may have met rather than any over-all approach under the law of agency. In the field of services and operations, most of the contracts make a practical approach. It is true that the problem of employment has

proven vexatious and will probably become more so, but on the whole the contracts present a workable arrangement.

AID CAREER AGENTS

As to compensation, the provisions clearly point toward the development of career agents but "the compensation arrangements, however, are so many and varied that one may wonder how thoroughly the individual agent understands his rewards for services."

At the same time it seems that the companies have made efforts toward clarity and understanding of the entire contract if not simplification. There is an evident need, he said, for progressive coordination in the realm of pension or retirement benefits for agents and their integration with over-all compensation.

From the standpoint of expense, Mr. Magovern wondered if the complex commission arrangements and the procedural details of operation could not be simplified. He also stressed the need for planned draftsmanship of agency contracts.

Leveling Post-Mortem Accruals

Mr. Cavanaugh devoted much of his discussion to the possibilities of offering agents an option, to be elected prior to death or retirement, under which commissions accruing after death or retirement, instead of being paid out on the

normal diminishing basis, would be paid out in level amounts over a period of years in monthly installments. A condition would be that if the accrued commissions on any installment date amounted to less than the agreed fixed installment, then only the amount actually accrued would be paid. The option, if elected, would be irrevocable after the agent's death or retirement.

This arrangement, already in limited use, would have the advantage of a more even income and of keeping the payments out of the higher income tax brackets, Mr. Magovern pointed out. He admitted that the internal revenue bureau might demand taxes on the accrued amounts but cited cases to indicate that such an attempt would fail.

Good Faith Only Basis

Mr. Cavanaugh said the only basis for attempting to apply the "constructive receipt" doctrine would be to attack the good faith of the installment payment agreement by showing that the parties did not intend to enforce it as written. If it could be shown that the company had, in actual practice, allowed the agent or his beneficiaries to withdraw the accrued commissions at will, this might be used to establish that the level payment amendment to the contract was not intended as a valid and enforceable restriction on the accrued commissions. But if the company's records and practices established a consistent refusal to depart from the level

payment method, after election, there would seem to be no basis for questioning the good faith of the arrangement.

The level payment idea, in one form or another, has been in use by some companies for many years, although there has been little public discussion of the subject, Mr. Cavanaugh said. He believes the companies' reticence has perhaps been due less to a lack of confidence in the validity of the level premium idea than to their reluctance to broadcast a plan which could be made available and which would be of substantial benefit to only a few.

MINIMUM LIMITS

If a company didn't want to agree to a plan except where it would substantially help the agent or his dependents, it could set a minimum limit for installments, say \$200 a month, with payments not being extended beyond a maximum of say 15 years. A serious and possibly insurmountable obstacle as respects agents paid by the general agent rather than by the company is that the general agent, if reporting on a cash basis, could take no income tax deduction for the accrued but unpaid commissions credited to the agent's account in a particular tax year, said Mr. Cavanaugh. Even if the general agent is on an accrual basis, he could not take a deduction until the commissions are actually paid, if it is held that the agent is his employee.

Since the Treasury Department is unwilling to give advance approval to any arrangements which seem to embody the deferred compensation idea, it would be rash to allow agents to elect the level payment option except with full appreciation on their part of the possible consequences should the tax authorities refuse to recognize the option's validity. Probably the worst that could happen is that the commissions would be taxed the same as though the option had not been elected. The risk of serious penalties and interest could be avoided by forcing the bureau to rule on the status of the unpaid accrued commissions in the first tax year in which the level payment option becomes effective.

Keeping Contractor Status

Mr. Cavanaugh also touched on the problem of maintaining the independent contractor status of agents where this is desired. He mentioned the New York court of appeals' recent decision in the Gordon case reported in THE NATIONAL UNDERWRITER of May 12, as indicative of the courts' tendency to regard training courses, sales meetings and the like as indicating an employee status even though the agency contract may disclaim it.

He said that possibly one reason for the failure of the courts to give sufficient weight to the employee status clause is that these contracts usually make no reference to many of the incidents of the company-agent relationship which the courts look into. When evidence of these incidents, such as training courses, sales plans, advertising materials, office space and other facilities and services is produced, there is danger of the courts looking upon them as something not covered by or involved in the written contract and therefore the court is apt to disregard the status clause.

Mr. Cavanaugh thought the companies would fare better in the use of a status clause if the language were expanded to cover the intention of the

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A LOOK AT THE FUTURE

It has been said that if a man could foresee the future even one day ahead he could make a fortune. We cannot know whether this is true or not. We do know, however, that it is possible for a man to foresee the future in a limited sense, and thereby to secure whatever fortune he might have.

If a man buys ordinary property today and pays, say, \$10,000 for it, he cannot tell what it will bring when the time comes for him to cash in on it. If that time comes when the tide of inflation has surged to a still higher crest the property might bring him \$15,000 dollars; if the time comes at a period of deflation, the property may bring \$6,000 or \$8,000.

In fine, the whole investment is a double gamble — both as to the time of liquidation and as to the payoff.

On the other hand, if the same man buys \$10,000 worth of life insurance today he knows that it will be worth \$10,000 when the contract matures. He also knows that whenever the payoff comes it will be at the time of greatest need for himself or his family.

What are we selling? — A sure look into the future, a solid mooring-post in a bobbing sea of uncertainty.

Insurance in force April 1, 1950—\$440,273,724

COMMONWEALTH
LIFE INSURANCE COMPANY
LOUISVILLE

1,000 Attend Rally of Statistical Assn. at Boston

G. H. Hamilton Takes Over the Reins from John Stuart

The annual meeting of Insurance Accounting & Statistical Assn. at Boston last week drew a crowd of more than 1,000 accountants and statisticians representing more than 450 life, fire, casualty and A. & H. companies.

John Stuart, assistant treasurer of Employers Casualty of Dallas, was succeeded as president by George H. Hamilton, assistant secretary and assistant comptroller of Phoenix Mutual Life. Mr. Hamilton is a fellow of Life Office Management Assn. and last year was vice-president of the life section of the statistical association.

The general sessions were held in John Hancock Hall in the home office building of John Hancock Mutual Life. Greetings were extended by Paul F. Clark, president of John Hancock and Commissioner Harrington of Massachusetts.

New vice-presidents elected, each having charge of a section are: Kenneth M. Hills, American Mutual Liability, casualty; W. H. Crawford, Loyalty group (reelected), fire; Ralph Kennon, Northwestern National Life, life; A. J. Schness, North American Accident, A. & H.

F. W. Campbell, John Hancock, was chairman of the Boston committee on arrangements.

Reactions to Standards and Controls

An interesting paper on "Human Reactions to Standards and Controls" was given by John F. Glover, associate professor of business administration at Harvard University business school. Mr. Glover pointed out several ways in which the setting up of standards, controls, budgets, etc., can effect the morale and organization of a company.

He mentioned a resistance to initiating some of the statistical man's new ideas from company subordinates and observed that a lower-level supervisor may be so unsympathetic with standards set for his people that he will take sides with them against the company.

Mr. Glover pointed out that after a period, the new way of doing things may eventually become the accepted way, but unfortunately for organizational solidarity, the people up above can think up new and better ways of doing things and of measuring efficiency faster than the informal organization can assimilate them. He said that one danger of setting up such controls is that management may become "oversold" and take its systems too seriously and too literally. This can bring about serious repercussions throughout the company.

A statistician, accountant or controller cannot afford to ignore the human factors involved in setting up new systems. This is especially true if management takes a literal view. The subordinates think management's reaction is unfair and unreasonable and the enthusiasm over jobs is likely to be impaired. Unwittingly, management may have weakened the organization rather than strengthened it and the people may re-

U. S. C. of C. States Stand on Taxing

WASHINGTON—Policies recently adopted by the U. S. Chamber of Commerce include several declarations touching insurance and related matters. With respect to estate, inheritance and gift taxes, it was declared:

"Transfers of insurance, if taxable at all, should be taxed in the same manner as other intangible property; transfers by insured persons retaining no incidents of ownership should be subject to the gift tax only, with abandonment of any payment-of-premiums test."

Also, "liquid assets, in insurance or other readily realizable form, up to the amount of and earmarked for the purpose of discharging death taxes should be exempt from such taxes, and until this provision can be made insurance contracts should be subject to estate tax upon the cash surrender value only and the purely insurance part of the contract should be exempted . . . the incidents of taxation of the net income of a trust should be clear and definite, with correction of existing confusion concerning the taxability of trust income as between the grantor, the beneficiary and the fiduciary; . . . the interests of employees in trusts qualified under section 165 of the internal revenue code should be excluded from the estate and gift taxes."

solve to discredit the control to the extent of their power.

Rodney B. Wilcox, Connecticut General, was chairman of the life session. Speeches at this meeting were given by Borden R. Cutt, London Life, on "Production Club Credits"; Charles H. Connolly, Southwestern Life, on "Mortality Research on Punched Cards," and Kermit Lang, Equitable of Iowa, on application of IBM machines to the problem of mortgage loan accounting.



G. H. Hamilton

Great-West Staff Fights Flood, Maintains Service

WINNIPEG—In the midst of the most catastrophic flood in Canada's history, Great-West Life is maintaining all essential services to its policyholders and agency organization. With water being pumped out of the basements of the company's three home office buildings at a million gallons a day, the multiple talents of the staff have been put to the test in this emergency.

The transfer of addressograph plates and machinery and over 600,000 policy files from the basement to the first floor was made by a "chain" of over 100 employees who passed a total of 60 tons of valuable material from hand to hand. In less than 24 hours, normal service was resumed.

Flood emergency projects and the work of evacuating required a large percentage of the staff. Already nearly 100 members of the staff have been driven from their homes. Others are working full time with the Red Cross, St. John Ambulance, flood control work and with the reserve navy, army, and air force. Virtually all those engaged in carrying on the company's operations are working on night shifts; building dykes, helping in canteens, and assisting in evacuation work.

H. W. Manning, vice-president and managing director, has been named chairman of the Manitoba flood relief fund, which is raising money to provide for replacement of household goods and personal belongings of flood victims. Headquarters of the relief fund are in the company's home office, complete with office equipment and special telephone lines. One of the earliest donations announced was \$25,000 from Great-West Life toward the fund's ob-

jective, which will have to run into millions in order to do the job.

When the army took over command of the flood fighting on May 6, Brigadier J. W. Brice, reinsurance secretary of Great-West Life, was named deputy commander at flood control headquarters.

The day-to-day services of the company to its policyholders and field force have been maintained in spite of difficult working conditions. There has been no heat in the buildings at a time when outside temperatures have been as low as 30 degrees and averaged about 40. Elevator service has been suspended on several occasions.

The Red river, which has laid waste thousands of homes and has invaded the warehouse and business districts of the city, normally half a mile away, is now within 100 yards of the front door of Great-West Life. Sand-bags protect the buildings and a battery of pumps is working around the clock, keeping down the basement water level.

Insure Continuing Operations

Prompt action was taken to insure a continuation of the company's operations. A battery of reserve pumps is available but has not been called upon yet for maximum performance, which is around 2 million gallons a day. If power fails, the company's new generator, rushed in from the United States, is ready to go into action to keep essential machinery in operation. Steps have been taken to have essential staff for priority work made available should the city be cut up into islands by the closing of all its many bridges. Many staff members are now required to take circuitous routes to work because of closed bridges. Others are commuting by train because the railway rights-of-way, higher than the public bridges, are still passable.

The securities vault, known to be waterproof, was sealed for the duration and \$12 million shipped to the east with two senior bond department men to carry out investment transactions otherwise prevented by clogged telephone and telegraph lines.

Special Flood Committee

A special flood committee under George Aitken, Great-West's secretary, is working on a 24-hour basis to protect the home office buildings, aid Great-West Life families affected by the flood, and cooperate with flood control headquarters, Red Cross and other agencies. Through this committee hundreds of flood victims have been helped in moving furniture and valuables from flooded homes provided transportation when evacuating, and given accommodation in the homes of fellow employees in safer areas. The company cafeteria has been open continuously since May 8, providing coffee, sandwiches, and hot meals for flood workers and evacuees. The club-rooms have provided a temporary sanctuary for many. Should the city water supply fail, the cafeteria has a reserve of 6,500 gallons of water.

The company's medical staff has given more than 1,000 inoculations against typhoid to staff members and their families. A special inoculation center was set up in the home office medical department.

One of the few heartening aspects of such a disaster is the high morale that such an emergency creates. Girls in slacks and men in rubber boots issued more new policies last week than there were applications received, to be ready for a company-wide contest which opened May 15.

Lloyd L. Grove, vice-president in charge of agencies of Western Reserve Life, Austin, Tex., was a member of a panel at St. Edward's University, Austin, which discussed the "Economic Functions of Selling."

Continuous Refresher

Apart from the formal training the underwriter receives he has the advantage of being associated with his agency. The General Agent in command is himself an experienced underwriter as well as manager appointed because of outstanding qualities of leadership and knowledge of the life insurance business. His trained experience in selling eminently fits him to give individual advice and counsel in any problem to which life insurance is the solution.

The personal help the underwriter receives from his General Agent and supervisors amounts to day by day tutoring. Through frequent agency meetings the whole agency carries on a continuous refresher course in the business of life insurance and in the selling procedure. Through conferences and meetings the knowledge of all the underwriters is placed within the reach of each.

THE PENN MUTUAL LIFE INSURANCE CO.

MALCOLM ADAM
President

INDEPENDENCE SQUARE, PHILADELPHIA

PACIFIC ACTUARIES

McConney Stresses Value of Local Actuarial Groups

The value of local and regional actuarial organizations as forums in which insurance problems of particular interest in the various localities can be explored more fully than would be possible in the larger meetings of the Society of Actuaries was emphasized by E. E. McConney, president of the Society of Actuaries and of Bankers Life of Iowa, in his talk at the spring meeting of the Actuarial Club of the Pacific States at Hood River, Ore.

These forums, said Mr. McConney, help develop the ability of the actuarial profession to meet the increasing range of actuarial problems arising from the rapidly expanding social ideology of the nation.

Mr. McConney has now spoken at 12 of the 15 actuarial clubs of the United States and Canada since his election as the first president of the Society of Actuaries.

The underwriting of military person-

nel has been liberalized in recent years to the point where some companies now grant standard coverage to all ranks, said Bruce Weatherhead, Pacific Mutual. He attributed this trend to the ability of the military services to pick and choose applicants because of attractive pay scales and retirement benefits. He estimated that retirement benefits given to military personnel are worth the equivalent of \$110 a month of additional pay to an enlisted man entering the service at age 20 and retiring as master sergeant or chief petty officer at age 40. He opined that there is probably no greater hazard involved in insuring men now in uniform than in insuring those who would be inducted in case war were declared.

Atomic Energy Codings Suggested

Louis Schmolli, 2nd vice-president Metropolitan Life, mentioned that occupation codings have recently been suggested to provide for industries involving atomic energy.

Others who presented papers were H. Burt Reiter, Prudential, on juvenile insurance; Philip Soth, New World Life, on reduction or removal of ratings; and John R. Pullman, Occidental, on extra premiums for aviation.

Standard of Oregon was host at a cocktail party preceding the banquet

and also arranged a trip to Mt. Hood and a luncheon at Timberline Lodge for those who stayed over the day following the meeting.

L.O.M.A. Graduates Elect Porton, Moran, Brian

The Society of L.O.M.A. Graduates at its annual seminar elected Harold Porton, Mutual Life, as its president; Edward Moran, Home Life, vice-president; Harold Brian, Teachers I. & A., treasurer, and Miss Mabel Huber, North American Reassurance, secretary. John Jarman, Prudential; John Trevor, Metropolitan, and Donald Hyre, Mutual Life, were elected new members of the council.

Keynote of several of the speeches, as summarized by Alfred R. W. Larkin, Prudential, was that progressive management now recognizes employee opinion and reaction as important. James R. Herman, Metropolitan, said that management should be aware that employee rate being part of things and receiving help on personal problems higher than wages and job security.

Seven Year Progress Reviewed

Walter Mahlstedt, Teachers I. & A., reviewed the seven year progress of the organization. Frank L. Rowland, L.O.M.A. executive secretary, said that life management problems in India are analogous to those that existed in this country in 1900. Donald Hyer, Mutual Life, past president of the society, declared that proper employee placement involves the balance of an individual's aptitudes and interest. He said the individual's responsibility is to be prepared and armed with an active patience which contains the good points of the "eager beaver" without his obnoxiousness. William C. Greenough cited pension planning as an area for major development in the future.

Wealthiest 40% of Families Pay Most of Premiums

A study just published by the research department of Curtis Publishing Co. shows that the top 40% of spending units, defined as a group of family members who pool their resources to meet major expense, pay by far the greatest percentage of total life insurance premiums. It points out that in 1948, as in 1941 and 1935, the upper half of families received about 77% of the total income. About 90% of the spending units that paid \$1,000 or more in life insurance premiums in 1948 were in the upper 40%; 88% of those paying \$500-999 premiums and 77% of those with premiums of \$200-499 were in the upper 40%.

Great-West at Million-Policy Mark

Less than 58 years after writing its first policy, Great-West Life has issued policy No. 1,000,000. It was issued to H. W. Manning (right), vice-president and managing director, shown with Earl M. Schwemm, Chicago manager, who holds policy No. 1,000,001. The picture was taken at the recent Great-West conference of United States and west Canadian managers at Winnipeg.

In accepting the policy, Mr. Manning traced the growth of the company from its inception until today, when it ranks third among Canadian life companies and 26th among all North American companies, with more than \$1½ billion in force and \$365 million assets. It took 23 years to issue the first 100,000 policies, but only three years to issue the last 100,000; 28 years to reach \$250 million in force but less than two years for the last \$250 million. Mr. Manning



paid special tribute to the Chicago, Winnipeg, California, Detroit and Vancouver branches for their outstanding contributions to the company's growth.



"Mom has to sew all the buttons back on Pop's vest . . . He led the Weekly Honor Roll last week!"

Bankerslifemen Have Real Pride in Accomplishment

A Weekly Honor Roll of leaders of the entire Bankers Life Company field force appears each week in *Onward*, the company's sales publication. It gives at least one salesman each week the basis for button-popping pride.

Recognition of accomplishment is quick and sincere for Bankerslifemen. They know that a fine job is noticed and appreciated in addition to the tangible results in income which it produces. This attitude of pride in a job well done is fostered from the time a Bankerslifeman enters the business. It results in happy as well as successful men.

The desire to do his work well marks the typical Bankerslifeman as the kind of life underwriter you like to know as a friend, fellow worker or competitor.

BANKERS Life COMPANY
DES MOINES

Agency Dep't Heads of Big Companies Compare Notes

The agency executives forum held by L.I.A.M.A. at Philadelphia and attended by 30 agency department heads of larger life companies dealt at its opening session with the structure of the agency department organization and opportunities for improvement. The executives discussed department objectives and methods for achieving aims; supervision of personnel; maintenance of contact with other home office departments; and financial management of the agency department. Sayre MacLeod, vice-president Prudential, was moderator. Vice-president George F. B. Smith, Connecticut Mutual, presided at both sessions the first day.

Improving Field Supervision

That afternoon the group, under the leadership of William P. Worthington, vice-president Home Life of New York, turned to the problem of improving field supervision. Questions were raised on measuring an agency's progress; replacement of managers; the practicability of field advisory committees; and keeping in touch with the field from the home office.

George Dunbar, superintendent of agencies Mutual Life of Canada, immediate past president of L.I.A.M.A., was chairman of the second day's sessions. Moderator for the morning seminar, which considered new organization problems, was W. R. Jenkins, vice-president Northwestern National. Subjects included recruiting; selection patterns of individual companies; training of agents; and training and development of managers.

Sales Promotion and Incentives

Sales promotion and incentives were examined at the concluding session. D. Bobb Slattery, vice-president Penn Mutual, served as discussion leader. Surveyed were basic sales promotion activities of the companies represented; sources of sales ideas; specific promotion devices such as company conventions, clubs and contests.

L.I.A.M.A. staff members participating were Lewis W. S. Chapman, director of company relations, who was in charge of arrangements; John Marshall Holcombe, Jr., managing director; Charles J. Zimmerman, associate managing director; S. Rains Wallace, Jr., director of research; Frederic M. Peirce, associate director of company relations; and H. Fred Monley and Richard K. Ford, assistant directors of company relations.

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President Maclean of Mass. Mutual Dies Following Operation

Alexander T. Maclean, 62, president and director of Massachusetts Mutual Life, died at Massachusetts General Hospital, Boston, following an operation. A brother, Joseph B. Maclean, is a consulting actuary and retired vice-president and actuary of Mutual Life.



A. T. Maclean

Mr. Maclean joined Massachusetts Mutual as assistant actuary in 1916 and became associate actuary in 1922. He was elected 2nd vice-president and actuary in 1928, a director in 1929, a vice-president in 1936, and president in 1945.

He was a fellow of the Faculty of Actuaries of Scotland and the Society of Actuaries. He was a member of the legislative committee of the Life Insurance Assn. of America, and at the time of his death, was serving on the executive committee of the American Life Convention and on two of the joint committees of that organization and the Life Insurance Assn., which dealt with federal income taxation of life insurance companies and the valuation of assets. He had contributed a number of articles to the insurance press.

Mr. Maclean was born in Glasgow, Scotland, and attended Shawlands Academy and the High School of Glasgow. He later studied mathematics under Roderic M. Nichol of Glasgow University and William A. Robertson, actuary of Century Insurance Co. of Edinburgh. His insurance career began when he entered the actuarial department of the City of Glasgow Life Assurance, where he took up special mathematical and actuarial studies. In 1910, when he was 23, he came to the United States and joined Home Life of New York.

In 1946, he was presented His Majesty's medal by the British government as a result of his work as chairman of the British War Relief Society of Western Massachusetts during the recent war. He was a trustee of the Springfield Hospital and the Eastern States Exposition.

Thousands of Women at Estate Planning Forums

Forums for women interested in life insurance, estate planning and the like have attracted audiences totaling several thousand at New York City, Worcester, Providence, and Morristown, N. J. Similar meetings are planned in Schenectady, Greenwich, Conn., Hartford and Memphis. Mrs. Marion Eberly, director of the women's division of the Institute of Life Insurance, is the spokesman for the life insurance business at these forums. She has been actively encouraging groups to sponsor such meetings.

Bryan Urges Relaxing of Equity Prohibitions

J. M. Bryan, first vice-president of Jefferson Standard Life, addressing Southwestern Legal Foundation at Dallas commented that serious consideration must be devoted to the possibility of life companies placing more funds in equity investments. He felt adequate safeguards could be devised and said that the experience of life companies on the restricted basis now permitted with equity type investments has been favorable enough to warrant a consider-

ably larger use of this field without jeopardizing financial soundness.

Mr. Bryan said there is no reason to fear the over-indebtedness of private economy. "What I fear," he said, "is the substitution of public for private debt with all the added complexities of money management which such a development will foist upon us."

He said there is little justification for the criticism that small investors are elbowed out by direct investments of life, because the small investors are looking for more yield than can normally be obtained via the private placement route. To the claim that life companies do not satisfy the capital needs

of small business, Mr. Bryan said an analysis of facts showed that through mortgage loans and certain direct investments life companies are meeting their responsibilities in this direction.

Mich. Department Budget Cut

LANSING, MICH.—The Michigan department's budget for the coming fiscal year is due for a substantial reduction under the omnibus appropriations bill prepared by finance committees of both houses.

The commissioner's salary of \$7,500 would be continued but provision for other salaries and wages would be cut

from \$171,727 to \$162,415; for contractual services, supplies and materials from \$58,970 (\$25,000 of which was to finance a reprinting of the revised insurance code) to \$29,375, and equipment from \$2,500 to \$1,588.

Commissioner Forbes recently closed the department's Detroit office in anticipation of the economy move.

Golf Outing May 26

Chicago Home Office Life Underwriters Assn. and the Chicago A. & H. Home Office Underwriters Forum will hold their golf outing and dinner May 26 at Aurora.



VIRGIL RAGAR

*The Friendly Franklin
is the company for me...*

2-18-50

Mr. J. A. Hands, Vice President
The Franklin Life Insurance Company
Springfield, Illinois

Dear Jim:

Eight years ago I came back to the Franklin fold. For a short time I had strayed. But quickly I came back. The Franklin "grass" was not only greener; it contained a lot more vitamins. The three exclusives, PPIP, GLA, JISP—and now our new Family Income Plans—not to mention Home Office cooperation, are unmatched.

For three years I just eased along. Income: 1942, \$4,044; 1943, \$5,689; 1944, \$6,328. Then something exploded. Ragar decided that Franklin "exclusives" were the things to present, and started presenting them.

Result: For the past five years I've averaged \$12,152.06; for the past four years nearly \$13,000.00.

That isn't nearly as much as a lot of my Franklin associates earn, not nearly as much as I could earn. And this year Ragar is going to place a lot of our contracts where they are needed.

The Friendly Franklin is the company for me. I'm really grateful for the many wonderful advantages we Franklin representatives have.

With kindest regards to all you fellows,

Virgil Ragar

Mr. Ragar is our Associate in the city of Sedalia, Missouri. (Population 20,428 according to Rand McNally.)

Here is a record of his earnings for the past eight years.

1942	\$ 4,044.00
1943	5,689.00
1944	6,328.00
1945	9,180.41
1946	13,062.70
1947	13,539.76
1948	11,746.65
1949	13,230.82

Total . . \$76,821.34

8 yr. average	\$ 9,602.66
5 yr. average	12,152.06
4 yr. average	12,894.98



The Friendly
FRANKLIN LIFE INSURANCE COMPANY

CHAS. E. BECKER, PRESIDENT

SPRINGFIELD, ILLINOIS

DISTINGUISHED SERVICE SINCE 1884

One of the 15 Oldest Stock Legal Reserve Life Companies in America

OVER \$800,000,000 INSURANCE IN FORCE

Kansas Association Names Keith Hayes as New President

Keith Hayes, Mutual Life, Hutchinson, was elected president of Kansas Life Underwriters Assn. succeeding C. O. Braden, Equitable Society, Independence, at the annual meeting and sales congress at Salina. Named 1st vice-president was Elliott Belden, Franklin Life, Salina, who was convention general chairman. Paul D. Raymond, National Fidelity, Manhattan, becomes 2nd vice-president; Vaughan A. Kimball, New York Life, Dodge City, 3rd vice-president, and Martin G. Miller, Mutual Life, Topeka, reelected secretary. Rex Lear, Farmers Life, Salina, continues as national committeeman. Mr. Braden's health, which has kept him away from his office since last August, made it impossible to accept the position. He was in attendance but will not return to his office for another two months.

Topeka was selected for the 1951 meeting, with fall sales congress meetings to be held by the Southeast Kansas association and the four associations in

southwest Kansas in October, probably at Coffeyville and Dodge City. Secretary Miller reported two new associations at Fort Scott and Leavenworth, bringing the total to 19.

A training school for new local officers was announced by President-elect Hayes for July 7-8 at Emporia under the auspices of N.A.L.U. but with leading members of the Kansas association making up the staff.

Commissioner Sullivan Speaks

Commissioner Sullivan of Kansas, who is chairman of the executive committee of N.A.L.U., gave a "Brief Report of the Department of Insurance." He said some 6,000 life agents are licensed in Kansas representing 121 licensed life companies. He announced that Dick Pierce is now in charge of the life department.

Special tribute was paid to 16 Kansas association veterans who have been active through the 25 years of the association.

In the 1950 case study contest, sponsored by Insurance Magazine of Kansas City, Earl E. Strimple, General American Life, Wichita, won the \$50 cash prize for Kansas. Glenn D. Mathews, editor and publisher, made the presentation. He announced that Welden Dillender, New York Life, St. Joseph, had

won the Missouri contest and M. S. Vencill, Security Mutual, Kimball, in Nebraska.

About 350 registrations were reported for the sales congress. A large percentage was on hand for the business meeting, followed by a "fun frolic" and the semi-annual dinner of Kansas Leaders Round Table, which was addressed by Horace R. Smith, assistant superintendent of agencies of Connecticut Mutual. Mr. Smith was also on the sales congress program. Albert Shank, New York Life, Liberal, chairman of the Round Table, presided at its dinner.

Panel Presented at Congress

Headliners at the sales congress included Mr. Smith; C. Brainerd Metheny, Fidelity Mutual, Pittsburgh; Glenn W. Isgrig, Reliance Life, Cincinnati, and a panel presented by the Kansas Leaders Round Table on "Prospecting, Approaches and Closing" led by Kenneth C. Fitch, New York Life, Wichita, member of the Million Dollar Round Table. Clarence A. Evans, New York Life; Maurice R. Coulson, Penn Mutual, and E. Ned Embry, Equitable Society, all of Wichita, and August Epp, Penn Mutual, Newton, composed the panel. All are outstanding producers.

Speaking on "It Takes a Light Touch," Mr. Smith pointed out that Kansas has 2% of the national income but has only 1% of the life insurance in force. Mr. Metheny spoke on "The Magic of Life Insurance" and Mr. Isgrig on "Let's Put on a Good Show."

Several company groups held meetings, including American Home of Topeka with Homer Waters, new director of sales, in charge; Equitable Society, with Chad Letton, home office instructor, in charge, and Pioneer National Life of Topeka in charge of L. W. Glickerson, new agency director. A large group of B.M.A. men from the Kansas agency headed by Bert A. Hedges, Wichita, was on hand.

Minehan Tells Chicago Assn., Trust Council Day's Best Sales Bets

The three best sales of the day were told to a joint luncheon meeting of Chicago Life Insurance & Trust Council and Chicago Assn. of Life Underwriters by William B. Minehan, assistant secretary, Northwestern Mutual Life, in a talk on "Meeting People's Estate Problems Head-On."

The first of these, Mr. Minehan said, are large amounts of personal insurance to replace income on some planned basis, emphasizing all the property values of life insurance in addition to protection values. Corporation insurance, actually bought for a business purpose but inevitably serving ultimate personal purposes, is another good bet, he remarked. Lastly, he mentioned insurance bought by one family member on the life of another, sometimes for gift purposes, but serving several possible purposes in any event. He opined that possibilities in the estate planning field are unlimited.

Mr. Minehan reviewed the technical aspects of estate planning and stressed that each problem must be looked at individually but always in relation to the others. It is important, he pointed out, that the trust officer and agent leave legal questions to assured's counsel. Much of estate planning is the result of vigorous activity by agents and trust men but they should stop short of practicing law.

Craig Heads Council Slate

The Philadelphia Life Insurance & Trust Council has nominated for president Walter A. Craig, State Mutual Life; vice-president, M. E. Ambler, Land Title Bank & Trust Co.; treasurer, S. B. Dexter, Land Title Bank & Trust Co., and secretary, Cleo C. West, Prudential; executive committee, J. J. Buckley, Provident Trust Co., and A. B. Coffman, Massachusetts Mutual.

New England Mutual's General Agents Convene

The life insurance business is becoming increasingly aware of social responsibilities calling for the long-range view and the necessity for flexibility to maintain policyholders service, George Willard Smith, president of New England Mutual, declared at the annual meeting of the general agents association of that company at Swampscott, Mass. He told the heads of the 77 general agencies that the recent seminar sponsored jointly by the life companies of Massachusetts and Harvard business school was an example of the care of the industry to anticipate the effect of current trends and find answers to the problems in their wake.

A panel on general agency compensation led off the program and was headed by George L. Hunt, vice-president, and



At the annual meeting of the New England Mutual Life General Agents' Assn. at Swampscott, the new association president, Edward G. Mura, Kansas City, left, is pictured above with George Willard Smith, company president, and Benjamin W. Davis, Richmond, right, retiring president of the association. The dinner coincided with Mr. Smith's 20th anniversary as president of the company and he was presented a silver bowl on behalf of the association by Mr. Davis.

composed of Wheeler H. King, New York; Walter Tebbetts, vice-president; John L. Stearns, vice-president and actuary, and Homer C. Chaney, director of agencies.

William C. Gentry, assistant director of agencies, and Doris Montgomery, attorney and manager of the pension department, introduced new pension sales material.

The final session treated the problems of recruiting, selection and training with Mr. Chaney as chairman and with short talks from each one of the home office agency staff. Speakers from the general agency ranks were David S. Kamp, San Francisco; E. Clare Weber, Cleveland, and Caspar W. Haines, Philadelphia. Alan Beck, editor of the New England Mutual house organ, recounted the wide publicity given to his nationally popular editorial, "What is a Boy?" Final speaker was Archie B. Carroll, Jr., Charlotte.

Edward G. Mura of Kansas City was elected president of the association. He succeeds Benjamin W. Davis of Richmond. Rolla R. Hays, Jr., Los Angeles, was chosen as vice-president, and William B. Wagner, Harrisburg, was elected secretary-treasurer. Mr. Davis and H. G. Swanson, Chicago, continue as members of the executive committee.

Hear Salt Lake Mayor

Utah A. & H. Club at its May meeting at Salt Lake City had Mayor Earl J. Glade as speaker. He stressed the importance of salesmanship and advertising, asserting these two forces "have brought practically everything worthwhile within the reach of nearly all the American people." The June meeting will be devoted to business and election of officers.

We're Sitting Pretty... Right Where We Are!



Couldn't please us more—being among the top 10% of American life insurance companies. This gives us the advantage of perspective and size: assets over 80 million dollars (makes us a factor in the investment market and gives us a desirable diversification of holdings); doing business in 22 states (gives us a safe distribution of risks); an operation that's BIG enough to employ top-flight talent in the Home Office.

Yet, we can see things on the level. No smug, lofty airs! We're close enough to earth to worry about policyholders' and agents' problems, to reach right out and offer a friendly hand.

You bet—we like it where we are!



AMERICAN UNITED LIFE INSURANCE COMPANY

HOME OFFICE, FALL CREEK PARKWAY AT MERIDIAN ST.

INDIANAPOLIS, INDIANA

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INSURANCE COMPANY

THEO. P. BEASLEY, President

HOME OFFICE

DALLAS, TEXAS

Life Insurance in force exceeds \$297,000,000.00

AGENCY VICE-PRESIDENT
OPENING

If you have the "stuff," you probably can get a similar position in one of several companies. However, ours is not the ordinary deal.

We are a moderate size, mid-western Stock Company, clean all the way through, and with no relatives who have first place regardless of how well you do. The man we select comes in on a partnership basis.

Stock ownership is not necessary, but a plan to acquire a comfortable amount of stock on a very favorable basis will be made available.

We want a man preferably between 33 and 38. He must have a good record in Agency work, either as a General Agent or in the Home Office.

All in all, we want a top-grade man in all respects; and our opening as to salary, position and opportunity fully measures up to this requirement.

If you feel you qualify and would like to be considered, write fully in complete confidence.

Box A-1
175 W. Jackson Blvd.The National Underwriter
Chicago 4, Ill.Equitable Ups 21
in Group Division

Expanding its group sales and service facilities, Equitable Society has promoted 21 members of the group department, all but two of whom are in the sales end.

N. E. Horelick, formerly manager, becomes general manager, directing all group department sales activities. He joined the department in 1926, became director of group annuities in 1932 and group department manager in 1945. A Carnegie Institute of Technology graduate, he is an associate of the Society of Actuaries. He is a fellow of the Insurance Institute of America and chairman of its educational committee.

E. A. Elander, formerly southwestern divisional group manager at Los Angeles, goes to the home office as group department manager. Boyd J. Blevins becomes southern manager at Atlanta and Walter E. Pauly western manager at San Francisco.

Elander, Blevins, Pauly Careers

Mr. Elander entered the group annuity division in 1929 after graduation from University of Michigan. He was director of group annuities at Los Angeles before his appointment as divisional group manager there in 1941.

Mr. Blevins, an alumnus of University of Chattanooga and University of Michigan, joined the group annuity division in 1931. After assignments at New York and Chicago he was named southern divisional group manager in 1935 and in 1948, following navy service, became manager of the southern field divisions.

Mr. Pauly joined Equitable's San Francisco group office in 1928 after attending University of California. He has been head of the northwestern division since 1941.

Ivan Ricks, as associate manager with headquarters in Chicago, will actively solicit the larger group cases in the middle west and assist agents on such cases when necessary. He has been relieved of supervision over the sales organization in the central and western departments, thereby enabling him to devote all of his time to his new duties. He was formerly manager of the western field divisions. Mr. Ricks has had wide experience in many capacities in the group department, which he entered in 1927. He is credited with the acquisition of many important group clients and the expansion of their programs.

As associate managers at the home office, Harold W. Graff and George E. Parker will solicit the larger group cases, Mr. Graff in the east and Mr. Parker in New York City. Mr. Graff, an alumnus of Pratt Institute and Columbia University, joined Equitable in 1924 and has been New England divisional group manager since 1945. Mr. Parker, a Brown University graduate, joined Equitable in 1927 after graduate work at Columbia. Since 1946 he has been assistant group department manager.

Evans Director of Pension Trusts

Hugh G. Evans, assistant director of pension trusts since 1947, becomes director. He joined Equitable in 1930 after graduation from University of Pennsylvania's Wharton school in 1928.

Mrs. Louise Ilse, who becomes assistant group manager, was formerly an assistant superintendent. She joined the group department in 1926 as assistant to former Vice-president W. J. Graham. She holds bachelor's and master's degrees from Columbia University and is working on her Ph.D. thesis, based on group insurance.

Wesley Young, who has been assistant to the manager of the group depart-



N. E. Horelick

ment since 1942, becomes an assistant manager. He joined the company in 1932 after attending New York University.

Gerald S. Lackey is promoted from assistant manager of group casualty coverage to assistant superintendent of the group department. He joined the company in 1931.

W. C. Mathieson becomes branch manager for the steel industry, with headquarters at Pittsburgh. He was formerly a divisional superintendent there, having joined Equitable in 1930 after graduation from University of Pittsburgh.

Name Five in West

Under the supervision of Mr. Pauly, five men have been appointed as follows: James O. Scott, Los Angeles, to serve agencies there and at San Diego; Harry J. Duerkop, San Francisco, also agencies in Oakland, Fresno, and Sacramento; A. R. Dunaway, Denver, who will also handle Salt Lake City and Cheyenne; Jarvis C. Hurd, serving agencies at Portland, Ore., and Boise, with headquarters at Portland; and John K. McKee, Jr., Phoenix, who will also handle Albuquerque agencies.

The former New England division has been divided with one division under Edward A. Maher III, whose headquarters will be in Boston and who will serve agencies there and in Worcester, Portland and Providence. Sales in Springfield and New Haven will be directed from Springfield by John R. Hanaway. Mr. Maher joined Equitable in 1927 and for two years was in the company's London office. He is an army veteran. Mr. Hanaway has been assistant divisional group manager at Springfield. He joined the company in 1925.

Edward W. Yarline, assistant divisional group manager at Chicago, becomes divisional group manager for Texas with headquarters at Dallas under the supervision of Mr. Blevins. He was formerly service supervisor. He is an army veteran.

Carl F. Van Goethem of Allentown, Pa., will continue to serve agencies in that city and Harrisburg. He has been assistant divisional group manager in the middle Atlantic division since 1947. He is a navy veteran.

Jefferson Standard Changes

Jefferson Standard has opened a branch in Peoria, headed by John S. Allsup.

Mr. Allsup joined Jefferson Standard in 1947 in Ottawa, Ill. Since 1948 he has headed the district office in Peoria.

J. Edward Chance has been appointed manager at Lynchburg, and W. Kenneth Richardson has been named manager of the company at Wheeling, W. Va.

Mr. Chance has been with Jefferson Standard since 1921. For several years he served as district manager at Clarksburg, W. Va., and in 1939 was appointed manager at Wheeling.

Mr. Richardson joined Jefferson Standard in 1945 in Fairmont, W. Va. Since 1949 he has headed the district office in Fairmont.

Forms Quarter Century Club

E. S. Ashbrook, president of North American Life of Chicago, has awarded 11 members of the home office and 10 of the agency staff special service certificates and jeweled service pins showing that they have been continuously in the company's employment for 25 years or more and have, therefore, qualified as members of the company's Quarter Century Club.

J. J. Miller, manager of Life Associates, Chicago general agents for Continental Assurance, recently completed a one-week civilian orientation course at Norfolk upon the invitation of the secretary of the navy. Mr. Miller was as a result appointed a commodore in the submarine navy and a member of the New Order of Guppy Snorkelers. He was a wartime marine officer.

May 19, 1950
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L.I.A.M.A. Mixed Group Elects Beal

Orville E. Beal, vice-president of Prudential, was elected chairman of the combination committee of Life Insurance Agency Management Assn. at the spring conference at Asheville, N. C. He succeeds Malcolm C. Young, second vice-president of John Hancock.



Orville E. Beal

Cecil J. North, vice-president of Metropolitan, and W. J. Williams, vice-president of Western & Southern, were elected new members of the committee. Charles J. Zimmerman, associate managing director of L.I.A.M.A., told the 150 officers of 40 companies present that employees have a greater stake in management than stockholders, because the employee's whole future and that of his family is tied up in the company. Consequently, each employee should be told what management is thinking and doing. A company that has good management should have no fear of letting its employees know about it, he declared.

Mr. Zimmerman cautioned executives to make sure that the men selected for advisory councils of field men are leaders. He said that a council composed of mediocre men or men without abilities for such duties is worse than none at all. He took issue with the statement that the successful man is of no concern, and that the man who is failing is the only one who should concern management. He cautioned that the successful manager and agent is not necessarily a happy man and has a very real problem and is too often forgotten. "The successful man must be treated with the same consideration as any other if he is to continue to be successful and if he is to continue to have respect and admiration for his company," Mr. Zimmerman declared.

Frank P. Samford, president of Liberty National, headed a panel discussion on measuring and controlling district office expenses and was aided by Harry B. Anderson, vice-president Life of Virginia, and William J. Hamrick, vice-president of Gulf Life.

The second day of the meeting was devoted to exploring the ways in which the combination system can promote public relations for the life insurance business. Mr. Beal conducted a panel on the subject, aided by Morton Boyd, president of Commonwealth; R. A. Furbush, vice-president of American National; H. C. E. Johnson, president of Interstate; Donald E. Lynch, L.I.A.M.A.; Walter H. Saitta, vice-president of Peninsular, and Walter S. J. Shepherd, second vice-president of Metropolitan.

Public Relations Keystone

Holgar J. Johnson, president of Institute of Life Insurance, said that the fact that business had not adequately told the story to the public in 1929 caused the people to place the entire responsibility for the depression on business. He said this development has brought business to a realization that it must now tell the public about itself and build an environment of support and good-will.

Richard B. Evans, president of Colonial Life, charged that critics of bigness in the life insurance business don't have the facts straight. He said that the critics used statistics for the entire industry in which the small companies are in preponderance. The implication is that no business should be permitted to grow beyond a certain size and this can have a stifling effect upon the initiative of the leadership of smaller companies, he said.

He pointed out that during the 10-year period from 1938-1948, the three

big L.I.A.M.A. companies in the combination field increased the volume of ordinary business at the rate of 124% while 40 smaller L.I.A.M.A. members increased ordinary by 181%. The large companies have decreased 26% in new weekly premium volume and the smaller companies weekly premium volume rose more than 30%. While the ordinary insurance in force for the three large companies increased 92%, the smaller companies in force rose 239%. He indicated that these trends are apparent in many other phases of the growth of life insurance companies.

Agents Sue Four Insurers

Principals of the Reliance Insurance Agency in Chicago have filed a \$3,400,000 damage suit in the circuit court at Chicago against Metropolitan, Prudential, Sun Life of Baltimore and Western & Southern. The suit charges that the companies damaged the agency "by untrue statements" in connection with its efforts to sell low cost renewable term life. The agency represents Reliance Mutual Life of Chicago and also places business with other companies.

The plaintiffs, Frank C. Donley, Terry P. Bannon and John J. Sullivan, alleged that the defendant insurance companies in oral and written state-

ments had called them "twisters," and accused them of being unethical and not acting in the best interests of the public.

Equitable to Rent 10,000 Freight Cars to Pennsy

Pennsylvania Railroad has arranged to rent 10,000 freight cars from Equitable Society under its new plan. The deal, largest order for freight cars since the 1920s, involves a definite commitment from the railroad on future payments exceeding \$50 million during the next 15 years.

The order is for 5,000 gondolas and 5,000 box cars. They will be built by several companies, including Bethlehem Steel and Pullman Standard.

The manufacturers are now negotiating with Equitable.

"The Patriot" Wins Award

"The Patriot," John Hancock Mutual publication for district agents, was today presented the highest award of the international industrial publications contest.

The monthly magazine, edited by Charlotte M. Riggs, was one of 50 singled out from 600 entries. "The

Patriot" received the same award in the 1948 contest. The award was made at the conference of the International Council of Industrial Editors in Pittsburgh.

James M. Peirce, director of the bureau of publications for John Hancock, led a panel discussion on problems of insurance publications at the council.

Family Day at Mutual

Mutual Life held a family day for employees at the new home office. The largest family present was that of Hilton Howell, who works with the supervisor of risks. He brought along his wife and 10 of their 13 children.

Miller to Coastal States

Norman N. Miller has been named agency director of Coastal States Life of Atlanta. Mr. Miller was with Metropolitan Life for more than 10 years before joining Franklin Life at Montgomery several years ago.

Harry G. Freeman, who has been assistant manager of Metropolitan Life at Bristol, Tenn., will become its manager at Middlesboro, Ky., June 1. He succeeds Norman E. Link, who becomes manager at Montgomery, Ala.

Nobody hits every time



— but Provident Producers get to bat oftener . . with more chances to hit!



LIFE INSURANCE* . . All modern forms of Guaranteed Rate Ordinary from birth to age 65. Substandard, Annuities, and T & P Disability Income (\$10 monthly per \$1,000) combined with wide choice of Life plans.

A. and H. INSURANCE* . . Every form of Accident and Sickness coverage—including Franchise plans for five or more employees. Non-Cancellable Disability policies. Monthly Premium plans. Special Risk coverages.

HOSPITAL INSURANCE* . . Issued on Individual, Family Group (ages 3 months to 80 years) and Franchise plans. Hospital Room and Board, Miscellaneous Hospital Extras, Surgeon's Fees and Medical Care.

* All written on Group Plans (minimum of 25 employees) and on special forms designed for Railroad Employees.



PROVIDENT LIFE & ACCIDENT INSURANCE COMPANY

CHATTANOOGA

protecting provident people since 1887

PRUDENTIAL'S 4 POLICIES— THEY MEET ALL DBL NEEDS!

1. **BASIC**—Statutory benefits for 4 to 49 employees, inclusive.
2. **LIBERALIZED**—A fixed plan of greater-than-statutory benefits for 25 to 49 employees, inclusive.
3. **STATUTORY**—Statutory benefits for 50 or more employees.
4. **STANDARD**—A plan of greater-than-statutory benefits for 50 or more employees. Benefits may be varied for employers' needs.

Prudential's Handbook for DBL sales describes these 4 policies, gives rates, and includes sales information.

Only **six** weeks—until July 1—to sell DBL. Call or write us today for our well-known, no-charge, "know-how" service.

- understandable sales proposals
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- complete sales cooperation

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For Sales' Sake—Watch These Ads

A WORLD'S RECORD! Half-a-Billion in 20 Years...

BROKERS and SALESMEN
—Use the Liberal Contracts,
Underwriting Facilities and
Sales Tools that mean Issued
and Paid-for Business



UNITED BENEFIT LIFE INSURANCE COMPANY

OMAHA, NEBRASKA

Legion Head Blasts Socialized Medicine and Welfare State

A blistering denunciation of socialized medicine and the welfare state, along with other manifestations of socialism and communism in this country, was delivered by George N. Craig of Brazil, Ind., national commander of the American Legion, in his address at the silver anniversary banquet of Chicago A. & H. Assn. Tuesday night.

It was considered especially significant, as President Truman had just delivered the main speech of his cross-country jaunt, defending his legislative program, the previous night and the administration's views also had been presented there at a panel on welfare legislation headed by Oscar Ewing, federal security administrator, and other supporters of government compulsory health insurance.

"The American Legion is absolutely in accord with your declaration that if we value our health and if we value our liberty, we must agree that compulsory health insurance, political medicine, is bad medicine for America," Commander Craig said at the outset of his talk.

"If some of the crackpot do-gooders should have their way—God forbid—socializing this and socializing that, they eventually would communize America.

Long History of Opposition

"Not only would they create a welfare state, but there might well follow a hypochondriac and neurotic state."

Mr. Craig recalled that national conventions of the Legion since 1943 have gone on record as opposing socialized medicine and compulsory health insurance. He quoted the resolution adopted at Miami in 1948 declaring that it would "deprive the citizen of the right to select the quality of medical care that he can afford and might desire," which it called "contrary to the fundamental rights of the individual," and the one adopted at Philadelphia last fall, putting the organization on record as "opposing any form of compulsory health insurance."

"That, my friends," he added, "should leave no doubt that you and we stand on common ground, fighting a common enemy, socialism, the advance guard of communism."

He criticized conditions in the State Department, citing the Hiss case, the Amerasia incident and others. He also spoke of the confusing and conflicting appraisals of the "world situation" and defense needs made by various high officials of the government and its armed forces.

Mr. Craig's speech was broadcast over the Mutual network.

New Officers Elected

Before Mr. Craig spoke, greetings were given by John H. Campbell, Provident Life & Accident, retiring president of the Chicago association, and Charles B. Stumpf, president International association, and the new slate of officers of the Chicago group, headed by Clayton F. Lundquist of McCormick, Beatty, Lamb & Fergus as president, which was presented at the April meeting, was formally elected.

There were also three 15-minute talks, by Insurance Director Hershey of Illinois on "Present Outlook for the Industry from an Insurance Department Viewpoint;" V. J. Skutt, president Mutual Benefit H. & A. and Companion Life, "Present Outlook for Companies Writing A. & H. insurance," and E. H. O'Connor, Insurance Economics Society, "Present Outlook for Federal and State Compulsory Insurance."

Mr. Hershey spoke especially of the efforts of federal agencies to get control over insurance, citing the Frear bill, the federal trade commission mail order code and its auto finance proposals. Referring particularly to the mail order

rules, he said there are still a "few bad actors" in that field whose practices must be corrected.

He spoke of the part the agents, the underwriters and the claim men can play in bringing about a better, public attitude toward A. & H. and lessening the pressure for governmental action. He endorsed the proposal of Superintendent Dineen of New York for experimentation in mass coverage and also the idea of an Institute of A. & H. Insurance.

Mr. Skutt said there are three factors in the success of any business—a need for its products, a product that will meet that need and a means of bringing it to the people. He showed how thoroughly A. & H. insurance has met all those requisites, with the further reason for continued success and growth that it renders a real service to the buyer and his loved ones at the time when it is needed the most.

Legislative Situation Reviewed

Mr. O'Connor reviewed the status of HR 6000 and the changes made by the Senate finance committee, retaining the \$3,000 taxable wage base, deleting total and permanent disability and the lump-sum benefit for all insured workers, and freezing the tax at 1½% each until 1956. He urged contacting Senators to make sure, when the bill comes up for action within the next 10 days, that these obnoxious features are not placed back in the bill.

He mentioned that the cash sickness issue is to be decided by referendum in the state of Washington this year, the Massachusetts bill for a monopolistic state fund, backed by the governor and labor interests, and the study now being made in Ohio. He said a survey of coverage is about to be made in that state and expressed confidence that the results will be satisfactory. He predicted a renewal of the fight in Illinois at the next legislative session, and probably in many other states.

Irving Wessman, Loyalty group, chairman of the committee which arranged the dinner, presided.

Mr. Campbell announced that the Chicago association's annual outing will be held June 8 at Itasca Country Club. He was presented a desk fountain pen set in recognition of his work the past year.

Equitable Names Asst. Medical Director, 2 Others

Equitable Society has named Dr. Robert B. Cleveland as assistant medical director. He has been medical examiner at Philadelphia, where he joined the company in 1927 and in 1947-49 was referee at San Francisco. Recently he has been at the home office.

Edward L. Williamson, with the company 38 years, was named superintendent in the policy issue and service department and Joseph S. Basel assistant superintendent.

C. Vivian Anderson, Provident Mutual, Cincinnati, will receive the honorary doctor of laws degree from Miami University, Oxford, O., at its commencement exercises. He is president of the university's board of trustees.

Bainum to Lincoln Nat'l

Lincoln National Life has appointed Marvin L. Bainum as its Wichita general agent. A navy veteran, Mr. Bainum started in life insurance with Columbia National in Wichita in 1945, becoming supervisor seven months later. For a year and a half he has been Kansas general agent for Pan American with headquarters at Wichita. He is a director of the Wichita Life Underwriters Assn.



May 19, 1950
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Josephson Offers Sales Pointers to N. J. Assn.

NEWARK—When the prospect seems to agree on all points but asks for time to think it over, ask him, with the proper buildup so that he isn't annoyed, if he would delay the same way in making a decision in his business life.

Halsey D. Josephson, general agent, Connecticut Mutual, New York City, suggested at the New Jersey State Assn. of Life Underwriters sales congress.

If he is convinced that the decision is very important in his personal life he will get the analogy and do something about it. Try to get him to agree to do something definite such as being examined, or arrange a medical appointment, or get him to phone his lawyer or accountant immediately, he said. Try to get action then or on the same day.

If the prospect asks for a written proposal so that he can look it over, draw some parallel with your own experience about how a letter can lie in an in-box or pending file for days with no action being taken on it, he advised. Get a definite appointment or time to return with the proposal and ask him to have his wife, lawyer or accountant there, as the case may be, so that the whole thing can be settled on the spot with no decisions left in the air.

Gratitude Day

To get out of the psychological depression that occasionally hits every salesman, Mr. Josephson suggested doing something for someone else that is productive in its own right. Depressed days aren't the best for either paper work, ball-games, movies or staying at home. He suggested making a depressed day, gratitude day. Buy someone a book or do some favor for a friend or client. This will help end the mental depression and the deed may in the long run return in the form of new business, he said.

He suggested keeping sales presentations simple. Make your point simple, straight and quick, then be quiet, he suggested. It makes the point stronger. Let the buyer do the elaborating. Don't get involved with a qualified answer. Pretty soon you are trying to explain the qualifications instead of being further along on the way to the sale, he warned.

Keep a book for names in your pocket and conscientiously work on filling it every day. Set a quota of 100 a month. Use these names in prospecting, he suggested.

Business Insurance Market

Firms that already have business insurance may be a very good market for it. Firms with stock liquidation agreements probably are not covered to present value.

Agents are frequently told to make half a dozen attempts to close, he commented, and it isn't as difficult as it sounds. There are about six general ways to do it, with modifications according to the case, and it only takes an hour to learn them. Even if they have to be memorized it is well worthwhile, he said.

Western Mich. Assn. Elects

GRAND RAPIDS, MICH.—R. L. Ritmanich, General American Life, has been elected president of Western Michigan A. & H. Underwriters Assn. Vice-president is Robert Topp, Holland, and secretary, Mrs. June Thomas, Grand Rapids.

PRESIDENT'S MONTH

Manhattan's April Sales Set Record

Manhattan Life set a new month's record in April, designated as president's month. The agents submitted \$9,050,224 on 1,089 applications.

Morris L. Harmelin, Newark, led all personal producers in volume, with \$314,000. Other awards volume winners were Benjamin Carr, New York; Henry Ginsberg, Miami; Rose Boyd, Los Angeles, and Bernard Rothfeld, New York, in that order.

T. Lucile Salisbury, New York, led in lives. She also won last year. John S. LeGath, Westwood, N. J.; Patsy Criscuolo, Jr., and R. R. Feldman, Newark, and Mary M. Jenkins, Sacramento, finished in that order.

R. M. Grosten, Los Angeles, led in agency production, with \$1,090,844, largest monthly submitted volume for a western division Manhattan agency. Divisional sales awards went to Kelley-Baum, Detroit, for leading the central division; Joseph D. Robbins for leading in greater New York; Max Harmelin agency for leading in Colorado, Texas, Florida, New Jersey and New York state outside greater New York. The first six agencies in president's month production were Grosten, Los Angeles, Robbins, New York, Rammi, New York, Harmelin, Newark, Hoffman, Buffalo, and Campbell & Demarest, New York.

As a special inducement, Manhattan offered copies of "The History of The Manhattan Life, 1850-1950," to be published in July, to the first 25 personal producers completing their April quota.

Qualified agents were guests of the company at two president's month dinners held in New York and Los Angeles.

Mutual's Milwaukee Agency Hears Talks by Hull, Cruess

Roger Hull, executive vice-president of Mutual Life, stressed the great contribution of agents' wives to their husbands' morale and progress, in his talk at the Milwaukee agency's annual meeting.

Edward Waller, superintendent of agencies of the central division, emphasized the peculiar advantages given life insurance by the current tax and interest situation while Leigh Cruess, vice-president and chief actuary, called attention to the agent's responsibility in selection of business.

Harry Schultz, president of the Chicago Life Underwriters Assn. emphasized the great importance of the company's field training program and of further current study of various underwriting services. Mr. Schultz is with Mutual's Persons agency.

D. W. MacMeekin Elected Modern Woodmen Director

D. W. MacMeekin, Two Rivers, Wis., has been elected a director of Modern Woodmen of America. He succeeds the late William Wiles of Toledo.

Mr. MacMeekin has been Modern Woodmen's state manager in Wisconsin since 1937 and formerly state manager in Colorado, New Mexico and upper New York state.

Mr. Wiles, who died after a short illness, had been a Modern Woodmen director since 1943 and had been Ohio state manager for 16 years.

W. H. Klingbeil Promoted

William H. Klingbeil, Prudential unit manager at Detroit since 1948, has been promoted to training supervisor at the home office, effective June 1. He is the son of Frank L. Klingbeil, manager of the Detroit Prudential agency. He joined the Detroit agency after graduating from University of Michigan in 1946.

45th ANNUAL REPORT

ASSETS

Cash in Banks and Office (1.35%)	\$ 569,314.93
U. S. Government Bonds (29.00%)	12,262,927.83
State, County and Municipal Bonds (5.19%)	2,193,378.93
Corporate Bonds (19.11%)	8,077,319.79
Corporate Stocks (2.13%)	902,607.13
First Mortgage Loans and Contracts	
On Farm Properties (5.1%)	2,123,626.81
On City Properties (26.09%)	11,063,516.63
Home Office and other Real Estate (.45%)	189,600.00
Policy Loans (7.57%)	3,202,266.85
Interest Accrued (.55%)	231,083.82
Current Net Premiums and all other items (3.46%)	1,465,127.06
Total Assets	\$42,280,769.78

LIABILITIES

Legal Reserve on Policies	\$35,052,097.70
Dividends Payable to Policyowners in 1950	686,642.29
Dividends left by Policyowners to draw interest	1,098,939.00
Policy Claims in process of payment	126,208.01
Reserve for Taxes	197,356.00
Premiums and Interest paid in advance, and other current accounts	477,010.92
Total Liabilities	\$37,638,253.92

Additional Funds for Protection of Policyowners

Capital	\$ 750,000.00
Contingency Funds	1,000,000.00
Surplus	2,892,515.86
Total	\$42,280,769.78

LIFE INSURANCE IN FORCE \$216,485,281

BENEFICIAL LIFE
INSURANCE COMPANY

George Albert Smith, President

Salt Lake City, Utah

EDITORIAL COMMENT

The Dangers of Privileges of Rank

An insurance company executive recently communicated to us his surprise that among several likely and experienced applicants for important jobs with his company there were several who seemed more concerned with whether they would be accorded certain executives' privileges than with the amount of salary they were to make. He discovered on further probing that the chief cause for the dissatisfaction of these men with their present jobs was that seemingly minor privileges were denied them rather than any real dissatisfaction with either the salaries or the jobs. While this does not prove per se that discrimination within insurance company ranks is bad, it serves as an indication that differentiation between the grades is highly important to certain individuals.

One may hazard a generalization about Americans and say that they are peculiarly opposed to class or job stratification. It has certainly been the bane of the Marxists that most Americans do not consider themselves members of any particular class and that class warfare slogans have had a negligible appeal.

Similarly, it seems safe to say that the biggest gripe of American GIs in the last war was not against the hardships or the food or the danger, but against the rigid social lamination of ranks. The average American enlisted man who in many respects found himself a "second-class citizen" while in the armed forces, simply could not get the idea through his head that he was officially the social inferior to any other man and that on this basis he was forbidden social access to the many places which catered only to officers. At the heart of all service publications popular with the GI was this indigestible distinction between the officers and enlisted men and the very real barrier that the enlisted man had to hurdle before he could be made a "gentleman by an act of Congress." Such a preoccupation with this feature of military life was frequently incomprehensible to soldiers of other nations who had strong class precedents in their civilian lives.

Undoubtedly the analogy of the military organization to an insurance company is not completely apt, but we think there is enough parallelism and enough here revealed of the American character to make the subject worth mentioning. Those very insurance employees who were more concerned with whom they were to dine than what salaries they were to make could be

found during the war at officer candidate schools undergoing unbelievable physical and mental torture for the sake of crossing over into the first-class category, though their pay and their jobs would have been better had they remained master sergeants. One might say in such cases that discrimination between the ranks inspired these men to upward progress. On the other hand, there were many more soldiers who did not make OCS who became thoroughly embittered against variance of treatment in the military system to the extent that their efforts were impaired and they were of little value to themselves or anyone else.

There are those who say that social discriminations have to exist within a military organization, because of the necessity for complete obedience which the advocates of "familiarity breeds contempt" would say is not possible otherwise. No one can pretend that such autocratic necessity is present in the case of an insurance company. We are not maintaining that there should be no social privileges accorded the higher officials of an insurance company, but we are saying that they should never be emphasized or ostentatious to the point that men in the ranks are humiliated. We maintain further that the granting of any special rights to a class of insurance company officers or employees should be studied carefully before made with the idea of measuring the effect upon general company morale. Any move to set aside one group as elect from the others should be weighed from the point of necessity. Are these privileges valuable enough to those who are to receive them to balance off any adverse effect they might have upon the entire group?

According to the democratic ideal as we interpret it, the company would be the most successful which had the fewest demarcations between executives, supervisors and employees. The ideal is never attainable and certain conditions, such as large size may make "one big family" impossible in reality, but they do not make approximation of the ideal any the less desirable where it is at all practicable.

In the cases of the men whose disaffection from their companies was mentioned at the outset of this editorial, we saw efficient and promising young men lost to an organization when such a loss was preventable. The company from which they resigned, and many other companies, should review their employee policies with an eye towards

spotting such trouble areas and then not merely attempt to sweeten the individual situations but to reexamine the hierarchy for further signs of unnecessary inequities.

It is within the American tradition for a man to rise from the bottom and few object to the necessity of such an ascent. The American is geared to only

the minimum of social differentiation between his station and that of his superiors, however, and feels that any unnecessary trappings of rank are affronts to his dignity and may prove real barriers to his climb. A man has a better chance of achieving greatness if he is permitted intercourse with the great on comparatively equal terms.

PERSONALS

Carson E. Bechtel, Salt Lake City manager of Mutual Life, has been appointed director of the 1936 drive for the sale of Treasury bonds there.

Cecil Woods, president Volunteer State Life, has been appointed vice-chairman of Tennessee citizens committee on the Hoover report.

Dan Brooks, manager of the investment department of National Life & Accident, has been elected a director of Peabody College.

Rudolph R. Placek, manager of Prudential at Louisville district 1, was honored at a dinner observing his completion of 35 years with the company. Mr. Placek joined Prudential as an agent at East St. Louis, Ill.

Rollin M. Clark, executive vice-president of Continental Casualty and Continental Assurance, has gained greatly in strength and expects to be able to return to his duties in another month, after having been incapacitated due to a heart ailment since late last year.

Program for Pennsylvania Assn. Annual Completed

Banquet speaker for the annual meeting of Pennsylvania Assn. of Life Underwriters at York, May 25-26, will be Jack E. Rawles, director of training of Reliance Life. Luncheon speaker will be Walter A. Craig, State Mutual Life, Philadelphia, editor of the C.L.U. journal. The annual meeting of the Pennsylvania Leaders Round Table will take place in the afternoon of the first day and the annual banquet that evening, followed by committee meetings. The women's committee breakfast will be held on the second day followed by the general delegates session, the luncheon and the organization meeting.

Seek Income Tax Deduction

The next session of the Minnesota legislature may be asked to enact a law providing for a deduction in state income tax of life insurance premiums. Directors of St. Paul Assn. of Life Underwriters have urged the state association to investigate the subject, with the idea of proposing legislation along the lines of that in New York state.

N. Y. Dept. Examiners Elect

The Assn. of New York State Insurance Department Examiners has elected Solomon Bendet president; Edmund J. Pieret and William Karlin vice-presidents; Miss Patricia Ryan secretary, Philip M. Levine treasurer. Former Deputy Carl F. Typermass and Associate Actuary Max J. Schwartz addressed the meeting on TDB.

Slate Baird to Head N. Y. City Assn.

Harold W. Baird, of the A. J. Johannsen agency of Northwestern Mu-



Harold W. Baird

tual, has been nominated for president of the New York City Life Underwriters Assn. to succeed Harry Ard, Connecticut General. Mr. Baird entered the business with Northwestern Mutual at Chicago in 1935 and after a year and a half became assistant manager for Reliance Life there. In 1940 he went with the Johannsen agency which was then in Brooklyn. He is an army veteran.

The official slate also includes John H. Evans, Home Life of New York, administrative vice-president; Charles S. McAllister, New England Mutual, public relations vice-president; Harold N. Sloane, Continental Assurance, educational vice-president, and Louis W. Sechtman, Aetna Life, treasurer.

Nominated for three-year terms as directors were Irving R. Aaronson, Metropolitan Life; George P. Coleman, Massachusetts Mutual; Harry K. Gutman, Mutual Life; Lambert M. Huppeler, New England Mutual; Philip L. Klyne, State Mutual; H. N. Rentner, Berkshire Life, and Gustave Steiner, Aetna Life. Edwin Bukoizer, New York Life, was nominated for a two-year term as director. The election will take place at the annual meeting on June 8.

George P. Shoemaker, general agent Provident Mutual, gave his talk, "No Death of a Salesman."

Brooks Palmer, Equitable Society, and Hubert Davis, Union Central received certificates for their work as instructors of the L.U.T.C. course in the past two years.

Mrs. Eberly at Hartford

HARTFORD—Mrs. Marion Stevens Eberly, director of the women's division of Institute of Life Insurance, spoke at the third of a series of financial forums for women, sponsored by Hartford-Connecticut Trust Co.

She urged that women learn more about finances, and that they take an interest in their family's insurance program. She stressed the value of optional settlements for life policies, urged a periodic review of each family's insurance program, and noted the value of insurance in producing cash to settle inheritance taxes.

THE NATIONAL UNDERWRITER



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SAN FRANCISCO 4, CAL.—507 Flatiron Bldg. Tel. EXbrook 2-3054. F. W. Bland, Pacific Coast Manager.

DEATHS

A. M. STANLEY of Berkeley, California state director of the State Farm companies of Bloomington, Ill., died of a heart condition at Bloomington while attending a meeting of state directors there. His age was 61. He had been with the State Farm organization 22 years. Five executives of the State Farm companies went to Berkeley for the funeral that was held last Friday, they being A. W. Tompkins, Adlai Rust, Morris Fuller, R. P. Mecherle and C. F. Campbell.

CHARLES D. GOASLIND, 89, for four years in the early 1900's Idaho's insurance director, died at Salt Lake City from a heart ailment. Since 1920 he had been with the historian's office of the Latter Day Saints church.

NATHANIEL P. GARDNER, 76, former registrar of Mutual Benefit Life, died at Orange, N. J., Memorial Hospital. He was with the company 52 years when he retired in 1945.

WILLIAM H. HOLMAN, JR., 54, general agent of Connecticut Mutual in New York City, died of a heart attack at his home in Flushing, N. Y. He had been in the business 25 years. He was with Equitable Society in Baltimore in 1938 when he left to join Connecticut Mutual at New York.

ROBERT BARTON, 83, former assistant secretary of Massachusetts Mutual Life, died in Springfield, Mass., Hospital from a coronary attack. He had retired in 1948 after 61 years of service with the company, the longest home office record in Massachusetts Mutual history. Mr. Barton started as an office boy, was promoted to the policy department and then transferred to the renewal department where he became manager in 1917. In 1924 he was made assistant secretary in charge of the renewal and personnel departments.

FREDERIC BROOKFIELD, assistant manager at Syracuse for John Hancock, died after 10 months' illness. He was an assistant manager at Binghamton before transferring to Syracuse.

Jefferson Standard Meet

Jefferson Standard Life held a conference for its managers who have been appointed since 1944. K. C. Wright, Durham, spoke on recruiting and W. A. Reynolds, Spartanburg, S. C., spoke on induction and training. The meeting was opened by Karl Ljung, agency manager, and speakers included Miss Mary Raylor, agency secretary. A similar two-day meeting will be held later in the year for the older managers from the point of service.

New Paul Revere Office

Alexander A. McLeod has been named general agent for Massachusetts Protective and Paul Revere Life at Long Beach, Cal.

Mr. McLeod resigned as field director of Pacific Mutual. He entered the insurance business at Muskegon, Mich., with Mutual Life in 1943. In 1947 he became assistant field director of Pacific Mutual.

Represents Bankers, Neb.

L. J. Switzer has been appointed general agent at Boone, Ia., for Bankers Life of Nebraska. He has had 12 years' experience in life insurance. He is an army veteran.



OBSERVATIONS

Praises Equitable Investments

In addressing top executives of the Conference of Mutual Casualty Companies at Highland Park recently, Robert F. Main, Philadelphia investment counselor, boosted the stock of Equitable Society, figuratively speaking, by praising the society and its president, Thomas I. Parkinson, for audacity in the field of investments. Mr. Main, who for many years was with Home Life and then financial secretary of Provident Mutual, advised the casualty company executives present to emulate the independent investment philosophy of Equitable Society, to analyze each investment situation not from the point of view of book value or traditional practice, but from the point of yield. His advice was that the intelligent investor will buy for 50 cents on the dollar where others will not take an issue which research shows strong but which fails to fit tradition. He advised his hearers to forget book values and to figure out what the market yields will be, saying that this factor is what is important to the company and its policyholders.

A Good Talking Point

A home office official tells this story to illustrate the advantages that go with a successful career as an able agent. Recently a good agent in one of the eastern states learned from his doctor that his wife's health would be impaired unless she moved to dry climate in the west. He sent telegrams to three general agents that he had met at company conventions with whom he thought he would like to go. He asked if they had an opening for him. He had no trouble getting a start in the new area because his sales record had been good. Financing arrangements were easily made. In what other business can this be done? the recruiter asks.

On the Spot Dealings

One of the reasons for the establishment of regional offices by large companies either for an over-all company operation or for different departments is said to be the hoped for retention by the large organization of the advantages of a small company. There is an intangible improvement in efficiency that results in close, on-the-spot contact between insurer and those with whom it is doing business. It is a fundamental concept in human relations in business dealings whether they concern the sale of a policy, the purchase of bonds, or a mortgage loan.

Coordinated Thinking

Big-company executives frequently ponder about how they can get a small-company touch into their operations. The bigger the company, the more rigidly departmentalized it becomes. The mortgage loan department of one large company recently turned down a request from the owner of a \$100,000 policy. The agency department was ready to invade the mortgage branch in high dudgeon. Agency men think a company should think twice before turning down such a request. Inter-departmental coordination is seriously needed by the big company. The \$100,000 policyholder may be the center of influence from which several million dollars of new business may come.

Law Student Award Slated

Winner in the contest conducted by Milwaukee Life Insurance & Trust Council among law students at University of Wisconsin, and Marquette University, will be announced at a dinner-meeting May 22. The contest was on "Drafting of Wills." Guests will include the deans of the Wisconsin and Marquette law schools.

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PAN-AMERICAN LIFE INSURANCE CO.
NEW ORLEANS, U. S. A.

John Hancock Names Wray Cincinnati General Agent

John Hancock has appointed William W. Wray general agent at Cincinnati. He succeeds George Visonhaler, who recently went to the home office as manager of general agencies.



W. W. Wray

Knoflicek to Succeed Harriss for Bankers, Neb.

R. C. Harriss will retire as general agent of Bankers Life of Nebraska at Fremont June 1. Joseph Knoflicek of Plattsmouth will succeed him. Mr.

Knoflicek has been with the company 12 years.

At a dinner in Mr. Harriss' honor the home office was represented by H. S. Wilson, president; C. H. Heyl, vice-president; S. R. Purtzer, statistician, and Dan Cieverling, agency assistant.

Franklin Ups Bevan; Fills Baltimore Agency Post

Franklin Life has appointed Harry W. Bevan as regional sales manager at Detroit and has named Benjamin Carlin and Morton M. Robinson as general agents at Baltimore.

Mr. Bevan entered life insurance with Prudential in Detroit in 1936 as a debit agent. On return from the navy in 1944 he was appointed division manager for American Hospital Medical Benefit. By March, 1945, he led its field organiza-



H. W. Bevan

tion and set a new sales record. Later that year he joined Great-West Life at Detroit and was promoted to supervisor in 1946. In 1948 he opened a Detroit agency for Northern Life of Seattle. He developed the agency to a million dollar per year pace. He resigned last December to join Franklin Life as general agent in Detroit.

Mr. Carlin entered the insurance business 15 years ago as an agent in Baltimore for Metropolitan Life and for 13 years has been assistant manager. Mr. Robinson has been with Metropolitan since 1928 and in 1934 became assistant manager in Baltimore.

Names Meinstein, Meyers

Eastern Life has named Clifford M. Meinstein and Charles Meyers general agents in New York City. They will do business as the Direct Agency, Inc.

Both entered the business as personal producers in 1947 after army service. Mr. Meyers later was a supervisor in the Sichenze agency of United States Life in Brooklyn.

Prudential Ups Engle

Edward E. Engle has been named manager at Sacramento by Prudential as of June 1. He has been assistant manager their for three years, while the office was under the jurisdiction of the Oakland office. Sacramento is now a separate branch.

Forsey in Toronto Post

Canada Life has appointed Clayton H. Forsey as manager of its west Toronto branch. He replaces A. H. Moffat who has resigned to take another position. Mr. Forsey joined Canada Life in 1925.

Hodgkiss in Tex.-Okla. Post

Capitol Life has appointed as superintendent of agencies for Texas and Oklahoma William S. Hodgkiss of Bonham, Tex. He succeeds E. W. Genens, who will be transferred to the home office to continue organization work in the Denver area.

Opens Wichita Falls Agency

American Hospital & Life has opened an agency at Wichita Falls, Tex., with J. D. Logan as manager.

Andrew J. Christensen has been appointed assistant manager of the Lynchburg, Va., branch of Prudential's Roanoke agency. He succeeds William D. Zydiak, who has been transferred to the home office as an associate regional manager.

Alester Conacher of Hamilton, Ont., has been appointed supervisor in charge of the newly opened agency of Canada Life in Buffalo. He is a Canadian air force veteran.

The George Young agency of Syracuse, N. Y., has appointed Gordon T. Ketchum as manager of the life department. He entered the business in 1946 with the Syracuse office of Security Mutual Life of Binghamton and was made a supervisor in 1948. He is an air force veteran.

H. D. Campbell, formerly of Rockingham, N. C., has been appointed manager of a new office of Durham Life at Hartsville, S. C.

SALES MEETS

Pacific National Rally June 5-7 at Los Angeles

The annual convention of Pacific National Life will be held at Los Angeles June 5-7 under the leadership of Ray H. Peterson, president. General chairman is Kenneth W. Cring, vice-president and superintendent of agencies.

Climaxing four days of entertainment and business sessions will be Mr. Peterson's reception and a dinner dance. Those from home offices will include, besides Mr. Peterson and Mr. Cring, L. R. Messenger, actuary, and Dr. Frank D. Spencer, medical director.

Speakers will be Herschell Whitmer, Honolulu; J. L. Hawley, Denver; A. W. Schalkau, Spokane; B. H. Hathaway, Beaverton, Ore.; Clifton Johnson, Salt Lake City; R. A. Virgin, Mesa, Ariz., and Al. F. Forrest, Los Angeles.

Penn Mutual Regionals

Penn Mutual Life held a regional conference of its Philadelphia, Wilmington and Trenton agencies at Pocono Manor. A second regional for its southern agencies was held at Pante Vedra, Fla.

General Agents Joseph H. Reese, Philadelphia; Leo D. Rothensies, Wilmington, and Donald L. Ward, Trenton, were chairmen at the first conference. The southern regional was led by General Agents James M. Thurman, Raleigh, and Richard S. Pomeroy III, Miami.

Midland Mutual Dates Set

Midland Mutual Life will hold its 1951 convention April 25-27. The place has not been announced.

Committees Set Up on Ky. Agents' Examinations

LOUISVILLE—Insurance Director Southall has appointed four committee chairmen of an advisory group of insurance men to make recommendations regarding the examination and licensing provisions of the new insurance code which goes into effect Sept. 1.

The chairmen, each of whom will head a committee of agency and company men engaged in his line of business, are: James L. Moss, Connecticut Mutual, life; William P. Tate, Independence Life & Accident, A. & H.; Rollie M. Guthrie, State Auto Mutual, casualty and surety, all of Louisville, and Charles M. Moore, Bowling Green local agent, fire and allied lines.

Meeting with department officials at the office here, the group discussed "the scope, type and conduct of written examinations" for agents and solicitors and set the following meeting dates for each of the committees: Life, May 16; A. & H., May 17; fire and allied lines, May 18; casualty and surety, June 2. All meetings will be at the department's Louisville office.

Participating in the conference here were Director Southall, C. J. Baugh, assistant director; and E. F. Heil and Gamble Dick, associate directors. Under the new code, applicants must submit to written examination. The advisory board members serve without pay.

Sponsors Health Program

Minnesota Employers Assn. is sponsoring a health-welfare insurance program for its members and their employees. It includes group life insurance, weekly accident and health benefits, daily hospital benefits and hospital extras. Minnesota Mutual Life and Northwestern National Life are the insurers.

The Penn Mutual Quarter Million Dollar Club will meet at White Sulphur Springs, W. Va., at the end of May, 1951.

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ACCIDENT AND HEALTH

Los Angeles Broker Gives Ideas on A. & H. Insurance

LOS ANGELES—William E. Roskamp, Jr., insurance broker, gave A. & H. Managers Club of Los Angeles his views of what the companies writing A. & H. insurance should do to counteract the encroachment of socialistic trends.

He declared the companies should have a broad policy, one really broad, should have a rate book that is simple and not one so complicated that an agent has to write the home office for interpretations. He said A. & H. is the most vulnerable insurance line, due to the state fund, unemployment insurance and GI insurance.

He declared that the A. & H. field is the most productive one for agents. He demanded that the companies put more education in the manuals or else put the information in the manuals in such simple form that the agent can understand it.

There should be a move, he said, toward a policy that states simply and exactly what the buyer will have and also what he will not have.

He summed up his talk by asking for a simple manual, a broad standard policy and a total market. He declared that if private industry does not offer a market for all risks at some premium, there will develop an undetermined amount of pressure for those risks to be written somewhere, and that some-

thing would be written somewhere, and that some-

Novel feature of the convention schedule, which is hoped will become a regular event hereafter, is a forum for local association delegates and officers. It will be used to acquaint local association representatives with their responsibilities in association activities. Moderator for this forum will be Wesley J. A. Jones, executive secretary.

A. & H. Sales Portfolio to Be Memorial to Gordon

The Lebbey-Gordon Memorial committee, recently created by the executive board of International Assn. of A. & H. Underwriters, has announced the preparation of a sales portfolio, "Successful Ideas for A. & H. Sales." It will be dedicated as a memorial to the late Harold R. Gordon, who was managing director of H. & A. Underwriters Conference. Recognizing Mr. Gordon's intense interest in the selling problems of the A. & H. producers, the committee, headed by E. H. (Count) Mueller of Milwaukee, decided upon this project as the most fitting enshrinement of his memory.

The portfolio will contain 100 variations of A. & H. selling techniques developed by outstanding producers. Publication is scheduled for Sept. 1.

Testimonial to Stumpf

A testimonial dinner for Charles B. Stumpf, president International Assn. of A. & H. Underwriters, was given by the local association at Madison, Wis., his home city, Monday night. Stanley Olyniec, Washington National, Milwaukee, was the principal speaker and was accompanied by a delegation of 25 Milwaukee A. & H. men.

Special guests included President E. A. McCord and Vice-president C. C. Inman of Illinois Mutual Casualty, for which Mr. Stumpf is general agent at Madison; Wesley J. A. Jones, executive secretary; Carl A. Ernst, North American L. & C., St. Paul, treasurer, and E. F. Gregory, Business Men's Assurance, Denver, chairman executive board of the International association.

Mr. Stumpf received a traveling bag as a gift from the Madison group and his other friends.

O'Connor Active in Ohio

E. H. O'Connor, managing director of Insurance Economics Society, has been spending considerable time in Ohio watching the developments of the commission on disability compensation, and appearing before business groups in that state.

He has already appeared before Ohio Trade Executives Assn. at a luncheon meeting at which 47 different industries were represented and the convention of Ohio Bankers Assn. at Columbus. He addressed the buyers' and executives' conference at Columbus Tuesday and the house of delegates of Ohio Medical Society at Cleveland May 17-18.

He is also scheduled to address the annual meeting of South Dakota Medical Society at Huron next Monday.

Increase Tenn. "War Fund"

NASHVILLE—Tennessee Medical Assn. at a meeting here increased membership dues from \$10 to \$50 annually to provide a larger "war fund" to finance "a concerted effort to prevent the establishment of any system of socialized medicine." A system of medical and hospital insurance inaugurated by the association is proving very successful, with policies sold by 16 insurance companies.

New A. & H. business of Massachusetts Protective and Paul Revere Life for the first four months of the year was 39% greater than the same period last year.



Through the ages, men have looked to the sword for security. All too often, the sword has brought them only to serfdom. Today, men can achieve security with a stroke of the pen—and at the same time write their own edict of independence. This is what they do when they make use of the truly democratic institution of Life Insurance.

We who are associated with Pacific Mutual are proud to be part of this great institution of Life Insurance; especially proud that through the basic protection of our Pacific Mutual New and Unusual Savings Plan and our complete range of Life, Accident and Sickness, Retirement, Annuity and Group Plans, we can help men attain security with independence.

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Williamson, Miss Donlon on H. & A. Conference Program

The program for the annual meeting of H. & A. Underwriters Conference, to be held at Hotel Statler, New York, June 5-7, will include discussions of a number of vital problems confronting A. & H. insurance today.

W. Rulon Williamson, noted actuary, will speak on "Death 'n Taxes" June 5. He was an actuary of Travelers for many years, and in 1936 became actuarial consultant to the social security board and then the social security administration. Since 1947 he has been in private actuarial practice at Washington, D. C.

"The New York State Disability Benefits Law and Its Responsibilities" will be discussed by Mary Donlon, chairman, New York state workmen's compensation board.

A departure from annual meetings of the past few years is the open forum, scheduled for Tuesday afternoon, June 4. Statutory disability laws will be reviewed by Francis T. Curran, supervisor statutory disability division Commercial Casualty, to be followed by a discussion of the work of the underwriting committee of the conference, led by its chairman, D. B. Alport, Business Men's Assurance. I. A. Weaver, Secured Casualty, chairman of the Conference hospital insurance committee, will be the discussion leader on recent trends in hospital coverage. C. O. Pauley, conference managing director, will discuss the latest developments in the writing of catastrophic coverages.

International A. & H. Assn. Convention Cruise Outlined

Early reports indicate an unusually heavy registration for the 1950 convention of International Assn. of A. & H. Underwriters. This year's meeting is being held on the cruise ship, Greater Detroit, sailing from Detroit June 26.

The ship will sail on Lake Huron, with stops at Midland, Ont., Sault Ste. Marie and Mackinac Island, and will dock at Detroit at the close of the convention June 30.

In addition to several notable speakers, ample consideration has been given to vacation activities. A shopping excursion is planned for Midland. A golf party and a carriage drive have been ar-

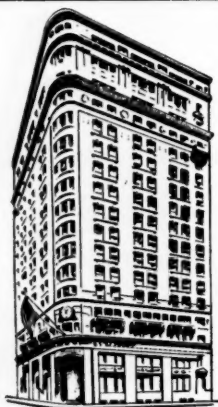
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The United States Life Insurance Company

This is the Centennial Year of a substantial growing company offering unusual opportunities to agents and brokers.

Our portfolio offers COMPLETE coverage in Life, Accident & Health, Hospitalization and Group policies. As an example, nearly a score of Accident & Health policies are included. Brokerage and surplus business are specialties of this company.

A new and unusual policy offered in the first year of our second century is the Centennial Income Agreement, embodying novel and highly salable talking points.

New ideas, new plans, new sales opportunities for alert and diligent agents, are giving The United States Life extraordinary growth. The years ahead hold great promise for this company and its associates.

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NEWS OF LIFE ASSOCIATIONS

Zimmer Heads Ohio Association

Robert K. Zimmer, general agent of Penn Mutual at Columbus, was elected



R. K. Zimmer

president of the Ohio Life Underwriters Assn. at the annual convention in Dayton. A past president of Dayton agents and managers associations, he succeeds Charles E. Spencer of Toledo. Other officers are: Russell Cahall, Western & Southern, Dayton; John Lenhart, Great-West, Cleveland; Claude Wetherill, Union Central, Springfield; Henry Blohm, Provident Mutual, Cincinnati; and Edward R. Heintzman, Aetna Life, Warren, vice-presidents; Homer Trantham, Columbus, secretary and counsel. The next meeting will be in Akron May 11-12, 1951.

Speakers at the sales congress included: Donald F. Barnes, director of promotion and advertising Institute of Life Insurance; Robert W. Osler, editor of the Insurance Salesman; James E. Rutherford, vice-president Prudential; Daniel F. Casasanta, Metropolitan, Springfield, O.; Ralph L. Lee, General Motors, Detroit; A. H. Kollenberg, Mutual Benefit Life, Grand Rapids; Judd C. Benson, Cincinnati, president of N.A.L.U.; Hal St. Clair, Cincinnati, editor of the Agents Diamond Life Bulletin; and Dr. Arthur S. Flemming, president of Ohio Wesleyan University and member of the Hoover commission.

Sees High Level of Sales

Mr. Osler said that he believes that production levels will remain high but that agents will have to sell more effectively. Increased social security, mass selling, and industry pensions won't hurt the production of the good agent, he said, and the importance of the agent is going to be more widely recognized. The speaker said he expected to see some real revision in the compensation setup.

Mr. Osler expressed the belief that the biggest danger to the agent is his own mental attitude. The selling pattern is changing, he said, and he opined that life insurance will be the line on which the last battle for democracy will be fought. Life insurance will become increasingly important, he said, because high taxes and low investment yields have ruined direct investment and savings. Other than government handouts, insurance is the only product that will give security, he asserted, and added: "As people depend more and more on life insurance, the more they will realize the value of a real counselor."

Public Interested but Cynical

Mr. Barnes said that today people are more interested in and more cynical about the life insurance business than ever before. The agent has to be equipped to answer the half-informed criticisms that get into print. Mr. Barnes showed what the institute is doing to inform people.

"Frankly, the public likes life insurance agents a lot better than the agents like each other," he said. "Too much selling is pitched to shooting holes in the job some agent before you has done for the prospect. Furthermore, until industrial and ordinary agents understand each other better, we'll never have the full public relations value of the field forces."

Mr. Rutherford said the agent is really six men: an evangelist of private enterprise, practically the only one left; creator of confidence in the future; maintainer of homes and businesses; a

sustainer of credit; an educator of children; and a supplier of respectability in old age.

Nussbaum Named as Wis. President

OSHKOSH, WIS.—A. Jack Nussbaum, Massachusetts Mutual, Milwaukee, was elected president of Wisconsin Assn. of Life Underwriters at the annual meeting here. He succeeds Frank G. McNamara, Old Line Life, Waukegan, Charles W. Tomlinson, Bankers of Iowa, Madison, was named administrative vice-president; Eugene C. Ebersol, Lincoln National, Milwaukee, vice-president, and Edward C. Schroeder, New York Life, Appleton, secretary. Regional directors were elected to the 14 local associations throughout the state.



A. Jack Nussbaum

The next state convention will be held at Milwaukee in May, 1951. It was announced that the state association is cooperating with University of Wisconsin school of commerce for a life insurance conference and seminar at Madison Aug. 6-11.

Mr. Nussbaum, the new state president, is national committeeman and a past president of the Milwaukee Association; regional vice-chairman of the N.A.L.U. membership committee; member of the Million Dollar Round Table, and has been endorsed by the Wisconsin state and 14 local associations as candidate for trustee of N.A.L.U.

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Coffel Round Table Chairman

Wisconsin Leaders Round Table elected Clyde S. Coffel, Phoenix Mutual, Milwaukee, chairman to succeed Harold R. Noer, Wisconsin Life, Madison; Lawrence E. Balza, New York Life, Green Bay, vice-chairman, and Lester A. Wilbert, Northwestern Mutual Life, Milwaukee, secretary.

The program for the meeting, in charge of Alfred Korbel, Central Life of Iowa, Milwaukee, was devoted to a talk on "Some of the Tax Aspects of Estate Planning," by Harold G. Wines, assistant trust officer First Wisconsin Trust Co. of Milwaukee, in charge of the tax department. A general round-table discussion followed.

Mr. Boardman made a stirring talk in which he warned against the doctrines of statism masquerading as humanitarianism. He pointed out that two of the great instruments by which statism popularizes its utopian proposals and encroaches ever further toward control over the economic and political life of a people are progressive taxation and cheap money.

Wisconsin National had a headquarters room at which Wisconsin cheese and beer were dispensed.

Mich.-Detroit Congress Has Field Problems Panel

Under the joint sponsorship of the Michigan Life Underwriters Assn. and the Detroit association, "Your Half-Century Sales Congress" was presented at Detroit. Arthur R. Gremel, Manufacturers Life, Saginaw, state president, introduced Bill A. Schauer, general agent Penn Mutual, Detroit association president, who extended greetings of the local association.

The business meeting included a report on Michigan legislative activities by Norman D. Reynolds, counsel for the state association. Announcement was made that the scope of the Life Under-

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writers Training Council course is to be extended state-wide and that Harry N. Phillips, Sun Life, Detroit, has been named state chairman of L.U.T.C. activities.

The election of the slate headed by Stephen H. Barnard, New England Mutual, Grand Rapids, was reported in last week's issue.

There was a panel quiz on field problems with Mac F. Begole, Massachusetts Mutual, Detroit, as moderator.

Judd Benson, National association president, was the luncheon speaker.

Kenneth Bearmore, Manufacturers Life, Detroit, as master of ceremonies opened the afternoon session with Isaac S. Kibrick, New York Life, Brockton, Mass., and Harry J. Syphus, general agent Beneficial Life, Salt Lake City, as speakers.

Iowa Assn. Names Zaiser President

DES MOINES—Will H. Zaiser, Prudential, Des Moines, was elected president of Iowa Assn. of Life Underwriters at the annual meeting here. He succeeds A. N. Caines, Equitable of Iowa, Waterloo.

Harold Miller, Council Bluffs, Mutual Life, was elected vice-president and Everett Graber, Des Moines, Travelers, was named secretary-treasurer. Regional vice-presidents are: Northwest, George Gardner, Sioux City, Mutual Benefit; northeast, C. R. Wallace, Waterloo, Bankers of Iowa; southwest, Harold Taylor, Atlantic, Mutual Life; southeast, Glen Rodgers, Davenport, Prudential; central, Frank McCormick, Des Moines, Equitable of Iowa.

The state association voted to go ahead with a plan of employing an executive secretary who would also serve the Des Moines association, Managers Club and C.L.U.

The Des Moines association was awarded the achievement trophy for association activity. Sioux City was second and Waterloo third. The state association reported 959 paid members, which exceeded the 949 total by 29.

On the question of pro-rata memberships, it was agreed to accept members for part of a year only when the fee is accompanied by the following full year's dues.

The association instituted an innovation in having the local associations recommend candidates to the nominating committees for state offices.

Roy L. Swarzman, Equitable Society,

Des Moines, national committeeman, and Mr. Zaiser reported on the N.A.L.U. mid-year meeting.

Robert I. Mehr, University of Illinois, spoke at the banquet.

The association concluded its annual meeting with a sales congress at which the speakers included Harry R. Schultz, Mutual Life, president Chicago association; Donald F. Barnes, Institute of Life Insurance; Robert M. Ryker, field supervisor of Guarantee Mutual Life, and Judd C. Benson, N.A.L.U. president.

North Dakota Life Underwriters Assn. elected G. Frederick Lawrence, Provident Life, Bismarck, president; John Billstein, Equitable Society, Minot, and Milton Weber, Equitable Society, Fargo, vice-presidents, and F. A. McDonna, Guarantee Mutual, Bismarck, secretary.

Salt Lake City—Jay E. Johnson, former president, who has been with Inter-mountain agency of New York Life for 30 years, gave a history of the association, which was formed in 1905. The three original members still living, Frank Mozley, Beneficial Life; J. V. Smith, New York Life, and John James, Occidental Life, were introduced.

Ashland, Ky.—The problem of meeting objections which are not legitimate is one of the big jobs confronting life insurance salesmen, Green M. Lee of Louisville declared. A careful approach is necessary to get the objections out of the mind of the prospect, but he said that could be done by caution and determined effort.

Columbus, O.—Jonathan Forman, editor of Ohio State Medical Journal, speaks May 19 on "Socialized Medicine."

San Antonio—C. E. Wood, Franklin Life, is the new president; Harry Wise, Equitable Society, vice-president; Russell Hoaster, Federal Life, secretary; Jean Weber, Connecticut Mutual Life, treasurer.

It was ladies' night and C. E. Gaines, vice-president Great National Life, spoke on "This Is a Woman's Business." He emphasized that the reason life insurance is bought is because someone loves his wife or his wife and children. He said life insurance is designed for the protection of women and children.

Pontiac, Mich.—The association has donated 200 books on "Buying Insurance" for use in consumer education classes of Pontiac high school.

Ronoke, Va.—George A. Walsh has been elected president; E. Norred Trinkle, vice-president, and Landon G. Buchanan, secretary. Mr. Buchanan was moderator of a forum on life insurance problems.

Wilmington, N. C.—D. O. Ferrell has been elected president; Charlie Stephenson and J. M. Sharp, vice-presidents; M. E. Beggs, secretary.

Durham, N. C.—John H. Clayton has been elected president, succeeding Thomas E. Dudley, who was made chairman of the executive committee. Floyd Rhodes, Jr., is vice-president; Paul Harrison, secretary.

High Point, N. C.—Mac Everett has been elected president, succeeding Leslie A. Andrews, who has been named national committeeman. Lloyd Swink is vice-president; Reid Marsh, secretary; Harold Armfield, treasurer, and Gordon Weathers, state director.

Austin, Tex.—Don Richardson, American National, has been elected president; Hyrum Strong, Prudential, vice-president; W. G. Chote, Southwestern Life, secretary; John H. Sheffield, Atlantic Life, treasurer.

Tom Johnson, Travis county probate judge, stressed the importance of making a will and discussed the problem when a sole proprietor dies and leaves his wife with minor children, indicating that sufficient life insurance would eliminate some of the more difficult problems.

Dallas—Gale F. Johnston, president of the Mercantile-Commerce Bank & Trust Co., St. Louis, was the speaker. He is a former executive of Metropolitan Life. Members of the Dallas Chamber of Commerce and the Dallas Clearing House Assn. were invited to attend.

Quincy, Ill.—William O. Heath, vice-president of Harris Trust & Savings Bank, Chicago, characterized the bank and trust departments, the attorneys, the insurance agent and the client as a four-way team with one common interest.

Northern New Jersey—The annual outing will be held June 6 at Rock Spring Country Club. A cocktail party before the dinner will be sponsored by the managers.

"I'm all set for College NOW

thanks to my Daddy's friend, The Protective Life Agent"



Protective's complete line of JUVENILE and EDUCATIONAL policies constitute only a portion of the many plans the company has to offer for

PACKAGE or PROGRAM SELLING

PROTECTIVE LIFE is a real career

Our Compensation Plan—Includes liberal first-year and renewal commissions, vested renewals, hospitalization and surgical benefits, and a SPECIAL CASH BONUS FOR PERSISTENCY.

Sales Aids—Complete catalog of over 100 items to help increase your income. Full line to help you sell PACKAGE or PROGRAM.

Our Training Plan—Includes continuous office and field training in successful sales methods, consisting of a 5-point learn-as-you-earn program.

A Complete Line of Policy Contracts

Personal Relationship—Agency operations are exceptionally flexible so that we can do things the way you want them done.

Interested?—Write today for details.

GENERAL AGENCY OPENINGS IN TEXAS, KENTUCKY, NORTH CAROLINA AND MISSISSIPPI

Write Today for Information



Serving the South Since 1907. Insurance in force over \$364 million.

WANT ADS

Rates—\$12 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline Tuesday noon in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER

WANT YOUR OWN AGENCY?

General Agent opening in Little Falls, Minnesota for experienced Life Agent. Liberal commissions; New Man Training Bonus; etc.; Life, Non-Can Guaranteed Renewable H & A and Hospitalization. Your confidential inquiry invited. Pioneer Mutual Life, Fargo, North Dakota.

PASADENA OFFICE SPACE

Office space available in Class "A" building on most important corner in Pasadena. From 200 to 20,000 square feet. Parking. Write T. D. Rogers, 9014 Wilshire Blvd., Beverly Hills, California.

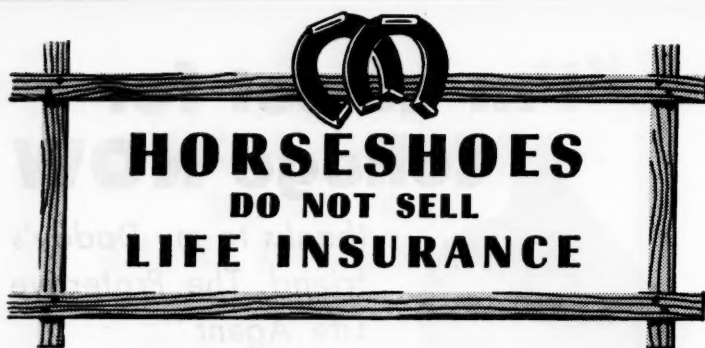
NEW YORK GROUND FLOOR OFFICE SPACE 144 JOHN STREET

One short block from two big John Street Insurance office buildings—111 and 116 John Street. 1100 square feet on first floor, 1100 square feet on second floor, also connected by private stairway. Newly-renovated building, air conditioned. Write to Holburn Agency Corporation, 144 John Street, New York 7, N. Y.



MONUMENTAL LIFE INSURANCE COMPANY

HOME OFFICE • CHARLES and CHASE STREETS BALTIMORE



THERE'S no "luck" to selling life insurance. But selling it can be made considerably easier the Indianapolis Life way. During 45 years of service, growth and achievement, Indianapolis Life men have been developed into career underwriters with high average earnings. That's because of the company's traditional policy of thoroughly training its sales force and equipping it with the finest sales kit of quality, low-cost policies. You, too, will find Indianapolis Life men the kind of men you like to know—like to work with. That helps make insurance easier to sell.

AGENCY OPPORTUNITIES IN

Illinois
Indiana
Iowa
Ohio
Michigan
Minnesota
Texas

INDIANAPOLIS LIFE

INSURANCE COMPANY

Mutual—Established 1905

INDIANAPOLIS 7, INDIANA

INVESTIGATE

THE ADVANTAGES OF OUR AGENCY BUILDING PROGRAM

A Financing Plan for new Agents which enables the General Agent to attract career men.

A well coordinated Training Course . . . Home Office schools and Field Training, in our successful field-tested Overall Plan of programming.

Liberal first year commissions and monthly production bonus, plus Pension Plan . . . Successful Sales Aids and Incentive plans.

Write now. Get details of our General Agent's contract. Openings in Michigan and Ohio.

Full line competitive policies—
par and non-par

The **OLD LINE LIFE**

Insurance Company of America
HOME OFFICE: MILWAUKEE WIS.

Life • Accident • Health • Hospital

NATIONAL RESERVE LIFE

Topeka, Kansas

A few unusual opportunities open for liberal general agent franchises in states west of the Mississippi.

H. O. CHAPMAN, President

HOROSCOPE FOR BIRTH DATES

Life Companies in India Beset by Many Problems

Life companies in India are operating under a distressing number of problems,

according to Frank L. Rowland, executive secretary of Life Office Management Assn., who recently returned from a vacation trip on which he visited a number of life companies in Bombay and Delhi. If their success is measured in terms of their capacity to overcome adversity, he feels companies in India are to be congratulated upon their accomplishments. He returned thinking that problems and difficulties present and past in this country are very minor by comparison.

India obtained its freedom only recently and is influenced by socialistic political concepts that make it very difficult for private life companies to operate there. The government tries to provide employment to the greatest number regardless of need or cost. It refuses to allow exchange to buy labor-saving office machinery because it feels this will result in fewer job opportunities. The work schedule decreed by law provides for a work week of 36 hours but over-all only on 196 days of the year as compared with the U. S. average of 254. This is because the law stipulates that each employee shall have a one month vacation, one month sick leave, and 10 days casualty leave each year. There are 21 legal holidays.

Personnel Problems

Personnel men are almost never permitted to discharge an employee because to do so legal charges must be preferred before a government labor board which almost always decides in favor of the worker. Tradition, which in India has a quasi-legal aspect, requires an annual increase in salary based solely on length of service and merit or performance is a minor factor. Most companies have well entrenched clerical unions that do not hesitate to call flash strikes of a few hours' duration at critical periods when it is felt that management needs disciplining.

Agency forces are almost entirely composed of part-time agents with a few full-time representatives in large cities. Policyholders write to home offices an average of several times a year to be assured that their policies are in force or to make some change. The volume of correspondence is at least 10 times higher than in U. S. companies and lapses and revivals are extremely high.

Commission Accounting

Commission accounting is a costly and complicated procedure because of the large number of part time agents under contract and the fact that their 5% renewals are perpetual. Thousands of checks are drawn for amounts less than \$1.

The breaking up of the Indian subcontinent into Moslem Pakistan and Hindu India has forced a great national migration. Families have been separated and policies lost. Addresses are continually changing. When the division was made two years ago two separate currencies were established. Since no exchange basis has yet been established the collection of premiums and payment of death claims is a very complex process.

Policy issue is a complicated procedure and involves a deposit and several exchanges of letters. There is usually

a lapse of four to five weeks between the writing of the application and delivery of the policy. During that time the agent presses the company for an advance on his first year commission resulting in thousands of small payments being made and accounted for.

Companies are confronted with commission rebates and twisting despite laws to the contrary. People have a tendency to change their surnames. This produces untold complications in identifying remittances with policyholders.

Birth records have never been maintained in the country and obtaining proof of age is very complicated. The most acceptable proof is the horoscope, traditionally created by an astrologer a few days after the birth of a child and preserved as a semi-sacred document. There are numerous native dialects in different parts of the country which complicate communication. Few women are employed in offices. The young Hindu man's mercurial temperament makes it difficult for him to adjust himself to routine clerical work.

Despite these problems, Mr. Rowland says that progress is being made in extending the benefits of life insurance where they are most urgently needed. He has great admiration for the fortitude of the management of the companies in carrying on in spite of "almost unbelievable" obstacles. He says he was encouraged by signs for future progress of insurance in India by the quality of the young men being recruited for future managerial positions. Groups of earnest, well educated young men are being trained to guide themselves and their companies to a higher business level and contribute to the progress of the nation.

Senate Finance Committee Orders SS Bill Reported

WASHINGTON — The Senate finance committee Wednesday ordered the social security bill reported and permission was obtained to file the formal report later. This may not be before next week, as drafting of the report was not yet completed.

Mutual Benefit Clinic

Mutual Benefit Life will hold the fourth in a series of property planning clinics May 22-24 in Detroit. Twenty agents from Detroit, Flint, Grand Rapids, Pittsburgh and Toledo will attend.

William F. Ward, associate mathematician, James C. Wiggins, attorney and G. B. Gordon, director of advanced training will lead the discussions. Other clinics will be held this fall in southern and western cities. Previous clinics were held at the home office, at Boston, and at Cincinnati.

New Continental Section

Continental Casualty has set up a transportation group department of the railroad-industrial division with Frank M. Cudmore as manager. Mr. Cudmore has been in the group field for five years, most recently as group representative at Chicago for General American Life.

Richard F. Roth, Jr., Mount Vernon, N. Y., formerly of Prudential, has been named assistant manager of Guardian Life's Lasko agency in New York City. He has been in the business in Westchester county and New York City 17 years. In his new post he will devote most of his time to hiring and training new agents and supervising brokerage operations.

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G. C. Cumming Heads Canadian Life Officers

MONTEBELLO, QUE.—Gordon C. Cumming, general manager of Monarch Life of Winnipeg, was elected president of the Canadian Life Insurance Officers Assn. at the annual meeting here.

J. K. MacDonald, president, Confederation Life, was elected 1st vice-president, A. S. Upton, vice-president and managing director Dominion Life, 2nd vice-president, and G. S. Holmes, assistant general manager and chief actuary of Manufacturers Life, honorary treasurer. Harry L. Guy, Mutual of Canada, is immediate past president.

Tuesday the association heard Carrol M. Shanks, president of Prudential, discuss three problems facing the life insurance business today. He said that one problem is bringing home to people that the security they buy from the life insurance companies is better in the long run than the security they think they can have for nothing. He said the life companies as they are presently constituted have a right on their past record to exist as private corporations and should not be supplemented by any political device or agency.

Assets Used Beneficially

Mr. Shanks said that the assets of life companies are being put to highly beneficial use and there is an urgent need for the public to be made aware of this fact.

Mr. Shanks' third problem was an internal one: He urged his audience to find intelligent ways, compatible with the high principles of life insurance as an institution, to meet the increasing costs of doing business.

The association heard an address Wednesday by D. M. Gowdy, business manager of MacLean's magazine of Toronto on the function of advertising on the life insurance picture. The problems and advantages of jet-propelled commercial aircraft were discussed by G. W. G. McConachie, president of Canadian Pacific Air Lines, in which he described some of the safety measures adopted in for use in aircraft of the future. The association also heard Earl Bunting, managing director of the National Assn. of Manufacturers.

Attridge Heads Agency Section

Earlier in the day, the Life Agency Officers Section elected W. G. Attridge, Sun Life, as chairman and A. F. Williams, Crown Life, as vice-chairman.

F. A. Nicholson, Manufacturers Life, R. Martel, Alliance National, and S. C. Mackenzie, Dominion Life, were named to the section's advisory council.

U. S. Chamber Analyzes A. & H. Cover for Buyer

A description of the health, accident, hospital and medical care insurance available to individual buyers is given in results of a study just issued by the insurance department of U. S. Chamber of Commerce. The 6-page booklet, titled "Individual Insurance against Illness and Accidents," was prepared for distribution by local chambers of commerce.

Written by John H. Miller, vice-president and actuary of Monarch Life, and Joseph F. Follmann, Jr., manager Bureau of A. & H. Underwriters, the booklet discusses forms of coverage, premium rates and compares coverage under individual policies with that written under group policies. It discusses certain special coverages and indicates a trend toward insurance companies' writing of still broader coverages.

Fenn Heads Conn. Leaders

Francis T. Fenn, Jr., associate general agent in Hartford for National Life of Vermont, was elected chairman of the Life Underwriters Leaders Round Table of Connecticut. He succeeds Kenneth V. Robinson, New England Mutual, Waterbury.

Speaker at the annual meeting was Stuart Monroe, associate general agent of the Huber agency of Mutual Benefit in New York City. Elected vice-chairman was Albert N. Scripture, New England Mutual, Hartford; and as secretary-treasurer, Charles K. Oakes, Phoenix Mutual, Hartford.

Dechert Buffalo Speaker

Robert Dechert, general counsel of Penn Mutual, addressed Buffalo Life Insurance Trust & Banking Council on present day estate planning.

Virgil Maul, staff manager for Prudential at Lancaster, O., has been promoted to district manager at Oil City, Pa., replacing George M. Gump, who takes over Pittsburgh district 3. Mr. Maul has been with Prudential since 1931.

RECORDS

Paul Revere Life's new business for the first four months of the year was up 8% over the same period last year.

American Mutual had a 79% gain in April, 57% for the first four months.

Bankers Life of Iowa in April paid for \$17,308,772—an increase of nearly \$6½ million. Ordinary accounted for more than \$10 million. For months new insurance exceeded \$9½ million, as against nearly \$52 million. Group insurance increased more than \$9 million. Ordinary was off slightly.

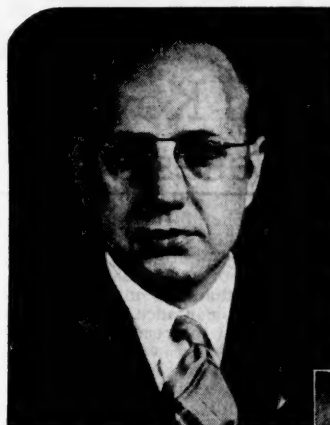
The Friendly Company of Distinction

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The ROLL CALL

of

*Q-MEN



CLYDE HINES
West Milton, Ohio



C. A. S. HOLLINGER
Bainbridge, Pennsylvania

* Quality Award Winners selected yearly by The National Association of Life Underwriters and the Life Insurance Agency Management Association.

Clyde Hines, associated with the Geo. E. Sacksteder Agency, Dayton, Ohio, has been a credit to The Ohio National and to the life insurance business for the past twenty-three years.

Since joining The Ohio National in 1941, C. A. S. Hollinger, a member of the Geo. Wade Agency, Harrisburg, Pa., continues to add to his laurels as a successful life underwriter.

The OHIO NATIONAL

LIFE INSURANCE COMPANY, Cincinnati, Ohio

Reserve Life Offers All Forms of

RETIREMENT INCOME PLANS

... to supplement your prospects' social security and pension benefits at age 65. Also issues Retirement Income at ages 55 and 60, for both men and women.

Reserve Life carries all standard policy forms, plus Juvenile Education, Mortgage Redemption, Monthly Income Disability, etc. Liberal non-medical limits; sub-standard up to 600 per cent. Complete tested mailings. Company Convention at Nassau August 16-21 for qualifiers (you may qualify on pro-rata amounts).

For complete information about the Company specializing in real cooperation, write to S. J. Gilbert, Vice President and Director of Life Agencies.

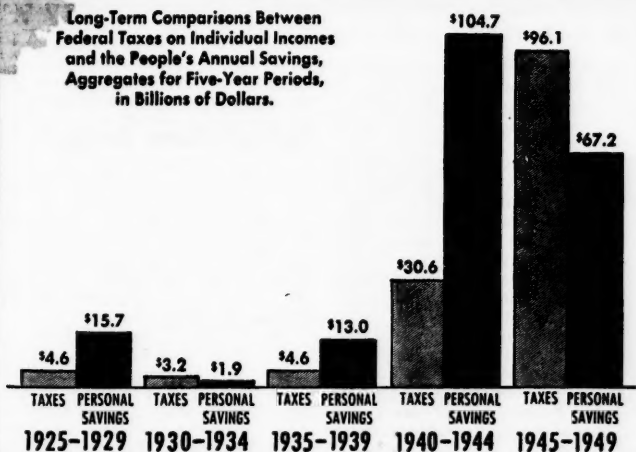
RESERVE LIFE

INSURANCE COMPANY

HOME OFFICE: DALLAS, TEXAS

INCOME TAXES VS. PERSONAL SAVINGS

Long-Term Comparisons Between Federal Taxes on Individual Incomes and the People's Annual Savings, Aggregates for Five-Year Periods, in Billions of Dollars.



SOURCES: U. S. Treasury; Dept. of Commerce

PREPARED BY INSTITUTE OF LIFE INSURANCE

Sales Ideas and Suggestions

Business Insurance Is Key to Writing Bigger Cases

HARTFORD—A Connecticut Mutual survey during 1947-49 shows that the size of its average business insurance case was \$17,000, more than three times the average size case for all company business, which was \$5,449.

The percentage of business insurance written on a term basis is slightly higher than the percentage of term to total company business but this does not refute the conclusion that activity in the field of business insurance is the answer to the question that bothers most agents—"How can I write bigger cases?" If writing a bigger average case is the way to increase commission income business insurance production is the answer.

Connecticut Mutual has been actively pushing business insurance and other advanced underwriting sales for four or

five years. The program is under E. A. Starr, assistant superintendent of agencies. In three years the company had \$640 million of total paid business, of which more than \$98 million or 15.4% was business insurance. However, Mr. Starr says that the record is on the low side and probably varies a few percentage points from actual business insurance being written. This is because of the difficulty of getting 100% accuracy from available recording procedures.

Term Component Greater

The survey broke down business insurance into corporation or partnership business. It did not show whether the policy was purchased for key-man purposes, stock purchase, stock retirement, etc. The records do not reflect any business insurance on sole proprietorships, of which a substantial volume is sold. This business goes into the totals as individual sales. The survey indicated that 68.6% of total business insurance was corporate and 31.4% partnership sales.

A greater percentage of term is sold in business insurance cases than for

total company business. The percentage of term to total business insurance written in 1947 was 14%, in 1948, 20%, and in 1949, 24%. The corresponding figure on the percentage of term to total company business in 1947 was 9%, in 1948, 11.3%, and in 1949, 13.5%. The record does not show which types of policy were applied for such as whole life or 20-pay life, but the company has started to broaden its record keeping on business insurance and is developing that information.

MOST AGENTS WRITE IT

The majority of the company's agents wrote some business insurance during the three years. An average of 809 agents per year were under contract. The total number for the three years was 2,427. The total writing business insurance over the period was 2,082, an average of 694 a year. Of the 100 leading producers each year a very substantial number operate quite actively in the business insurance field. However, Mr. Starr points out, "we have a great many successful agents who rarely, if ever, write a business insurance case. It would be a dangerous assumption to state categorically that an agent who can write business life insurance will always be a successful agent or vice versa."

The records indicate that a great many relatively new agents of the company write business insurance early in their careers. They are encouraged, however, to lean heavily on their general agent, supervisor or on home office assistance in the more difficult cases. Special background in accounting or law is helpful in getting into the business insurance field early in an agent's career. However, the legal and tax angles in most business insurance sales are not complicated and specialized knowledge is not absolutely necessary for an agent to have success in selling business insurance, Mr. Starr said.

Special Sales Aids

The company has prepared a number of special sales aids for its agents such as visual sales brochures, specimen business insurance agreement booklets for use with attorneys, special direct mail letters, pre-approach material, etc. There is no special plan for cooperating with lawyers or accountants, but the company urges its agents in its training courses, etc. to seek their cooperation in business insurance efforts. It has prepared for use of attorneys a special business insurance agreement brochure which has been particularly helpful in building prestige with attorneys. The company furnishes these brochures to attorneys upon request or to an agent for delivery to an attorney in his community.

Connecticut Mutual has a number of special training courses available to agents to help equip them to operate in the advanced selling field. The agent is first encouraged to complete the company's regular advanced training course which encompasses a study of business insurance, wills, taxes, employee plans, etc. It also sponsors a series of advanced underwriting forums every other year in different regions to which are invited agents who have had sufficient background to be able to enter into discussion sessions with other leading agents of the company. This year there will be 14 such meetings from coast to coast.

The company issues a bulletin to keep agents up to date on sales procedure, legal and tax rulings, court cases, etc. and also has a special training seminar for general agents in which it trains the trainers. These seminars last one full week which allows sufficient time to go into the various subjects including busi-

ness insurance, employee plans, gift taxes, etc. in considerable detail. There is also available for agents a proposal and consultant service through the home office agency department. Agents may obtain from the home office proposals for business insurance and also may furnish the facts on a particular case in writing for study at the home office and get a suggested solution. Each year the company also conducts a leaders round-table meeting, a three-day business session at which advanced selling subjects are discussed.

Recording Procedure

The recording procedure used by the company is not automatic. When an agent sells a business insurance case he is instructed to indicate in the upper right hand corner of the application the code for business insurance. Agency clerks are also instructed to check applications as they are submitted to determine if they are for business insurance purposes.

The daily written record comes through the company underwriting department, the business insurance applications being recorded as they are received and reviewed by the lay underwriters. The paid record comes from the actuarial department being tabulated monthly on the punch-card machinery. This procedure still does not give complete accuracy as some agents undoubtedly fail to mark their applications, and, as it does not reflect business insurance sold on sole proprietorships, the three year figure of 15.4% of production being business insurance is thought to be an underestimate.

Company records show that most of its Million Dollar Round Table members are actively engaged in advanced underwriting either on business insurance, employee plans, or estate planning. The agent who writes business insurance or who otherwise does advanced underwriting work has a better chance of reaching the M.D.R.T. than the agent who confines his activity to personal insurance sales.

AFL Charges Private TDB Plans Unconstitutional

American Federation of Labor has filed suit in New Jersey superior court on behalf of an employee attacking the constitutionality of the private plan provision of the state's temporary disability benefits law. The complaint does not object to the tax but says that an employer who deducts money from an employee's earnings and pays it to a private insurance company for its profit is depriving the employee of his property without due process of law. If the AFL is upheld private plans could not be used by an employer without the consent of all employees rather than of a majority of employees as at present. If upheld on all points, which is viewed as unlikely the AFL suit could endanger the legality of all private plans.

Tollack Now Settled

Hugh L. Tollack is now established with telephone, furniture, water cooler and other accoutrements in the new headquarters office of National Assn. of Insurance Commissioners in the Illinois State Office building at Chicago, which is at 160 North La Salle street. He is in room 1732 and the telephone number is Dearborn 2-1771.

Mr. Tollack has already received many calls and he is much impressed with the opportunities at Chicago to keep abreast of the times in the insurance world and to have visits with key people in the business and in supervisory ranks as they come and go. It is expected that more N.A.I.C. committee meetings will be held at Chicago than ever before.



E. A. Starr



NON-CANCELLABLE and GUARANTEED RENEWABLE
HEALTH and ACCIDENT INSURANCE

LIFE INSURANCE

GROUP LIFE and GROUP DISABILITY INSURANCE

THE Paul Revere Life
INSURANCE COMPANY
WORCESTER, MASSACHUSETTS

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NOW IS THE TIME...

to learn about our new General Agent's contract, providing for top commissions, bonuses and LIFE TIME RENEWALS. Representatives participate in Group and Hospitalization coverage. Inquire about our unique and successful GIFT PROSPECTING PLAN (the prospect asks you to call!); our various Agency Services, prestige Production Clubs, Training Schools and Saleable Policies.

Territory open in Arkansas, Louisiana, Mississippi, Oklahoma and Tennessee.

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Complete Plans for Conference Annual

Arrangements have been completed for the annual meeting of the Life Insurers Conference at Colorado Springs, Col., May 24-26. Governor Johnson of Colorado will extend welcome, followed by a general business session which includes the reports of Joe D. Morse, Home State Life, president, and Martin B. Williams, executive director. J. C. Benson, president of National Assn. of Life Underwriters, will speak at the opening session.

The program May 25 includes R. L. Hogg, executive vice-president and general counsel of the American Life Convention, and Dr. George S. Benson, president of Harding College, and the executive session and election of officers.

On May 26 the speakers are A. J. McAndless, president of Lincoln National Life; Dr. Ralph J. Gampel, a British doctor; and Leonard Gross, executive staff member of Research Institute of America.

A highlight will be a special round table work session with H. C. E. Johnson, president of Interstate Life & Accident, as moderator.

The customary golf tournament, traditional past presidents banquet, and sight-seeing trips are features of the entertainment program which also includes some special activities for the ladies attending. Advance registration is over 250.

Hemisphere Lunch Successful Affair

NEW YORK—About 400, many of them top company executives, attended the Hemispheric Insurance Day luncheon here. At the same time, the insurance business in other countries of the western hemisphere also was observing the day either with luncheons or dinners. There was a sprinkling of representatives from Latin-America at the affair in New York, and Osvaldo Riso, Seguranc Nacional de Seguros of Rio de Janeiro, spoke briefly.

Speakers included John A. Diemand, president of Insurance Company of North America, who presided, Albert F. Nufer, U. S. representative on the Inter-American Economic & Social Council and James S. Kemper, chairman Lumbermen's Mutual Casualty. It was the fourth anniversary of the first hemispheric insurance conference under sponsorship of the U. S. Chamber of Commerce.

Dignitaries at Head Table

Those at the head table included Harold M. Stewart, executive vice-president of Prudential; Lendon A. Knight, general attorney Royal Neighbors, and A. L. Kirkpatrick, manager U. S. chamber insurance department.

Occasionally someone asks what has been accomplished by all of the hemispheric insurance meetings that have been held, Mr. Diemand said. They say they are not interested in writing insurance abroad and see no reason for participating in the work of the conferences. He suggested that it is necessary to take a broader look.

One aim of the conference has been to head off further government encroachment into insurance, and this has reached much greater proportions in some Latin-American countries than it has in the U. S., Mr. Diemand said. In Mexico, for example, in 1948 it was found the Mexican government owned and operated two insurance companies, one life and one fire and casualty. Since the conference there and the loud public expression and the demands of the insurance business that government stop taking over the field of private insurance, the Mexican government has sold its life company to private interests.

Widespread observance of Hemispheric Insurance Day should remind everyone in the western hemisphere of the

contribution of insurance to individual security and economic stability, Mr. Nufer said. U. S. insurers have provided Latin-American insurance technicians with opportunity to observe U. S. underwriting methods. He cited as an example that at the request of Uruguay arrangements were made last year to have a Uruguayan insurance official spend a year in the U. S. studying life actuarial techniques and he is presently at Prudential doing this. This is a good example of the way in which private enterprise is successfully extending technical assistance throughout the hemisphere.

Gorrie Union Mutual's Asst. Director of Agencies; Three Others Promoted

Robert T. Gorrie has been named an assistant director of agencies of Union Mutual Life. Since 1948 he has been with the home office agency. He was the company's leading new agent last year, and held third place in volume of sales company-wide. He will supervise New England agencies.

L. C. Allin of underwriting department has been appointed group secretary, G. C. Denny of the policy issue department goes to an underwriting position, and Carl N. Honer, of the sickness and accident claims department, now heads the policy issue department.

Prudential Cuts DBL Rate for Small Firms

Prudential has announced a reduction in rates for New York disability benefits cover from \$6 quarterly per employee for organizations with four to 49 employees to \$3.40. This rate applies to all small employers regardless of the nature of the industry, amount of taxable payroll or number of females.

Prudential also has developed a simple premium-paying procedure under which it will not be necessary for the small business to keep special records or report to insurer names of covered employees. This is only one of several types of plans Prudential is writing for this business.

Persons Led Mutual

The Persons agency in Chicago of Mutual Life led all of the agencies in volume in April.

The Myer agency in New York led in number of policies and was second in volume.

Charles F. Williams, president Western & Southern Life, will receive an honorary doctor of laws degree from the University of Notre Dame at commencement exercises this June. Mr. Williams also has established the Chas-wil foundation student loan fund to assist undergraduates at Xavier University, Cincinnati. Loans will be interest-free, almost a unique feature.

Elton R. Dare, former supervisor of agencies for Midland Mutual, who has been named agency secretary, and Jack



E. R. Dare



J. P. Smith

P. Smith, his successor, whose appointments appeared in last week's issue, have been in insurance since 1941 and 1947, respectively.

The KEY TO SECURITY



A Key to Success
for
Equitable of Iowa
Field Underwriters

Equitable Life of Iowa's field underwriters have enthusiastically endorsed the *Key to Security*, the Company's new and simplified method of life insurance programming. With a professional approach that is easy to understand, the *Key to Security* clearly defines the prospect's life insurance program requirements and graphically portrays the solution to his estate problems.

This new method of programming is consistently demonstrating its effectiveness as an aid to career life underwriting for Equitable of Iowa field men.

A three months survey indicates:

- Highly satisfactory results from the new *Key to Security* direct mail approach.
- A better than average ratio of sales per interview.
- 547 *Key to Security* sales totaling \$7,113,543.
- An average size policy of more than \$13,000.

Those are four excellent reasons why Equitable of Iowa field underwriters know that the *Key to Security* is their Key to Success.

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There's a pleasant feeling of security in "an anchor to windward." That's particularly true in the feeling of safety which life insurance engenders. Freedom from fear of leaving the family in want plus the knowledge of its value in time of need makes life insurance a true anchor to windward to hold one safe and secure in this world of unknown tomorrows.

General Agency Opportunities

Brokerage Business Accepted



Girard LIFE INSURANCE COMPANY

PHILADELPHIA 6, Opposite Independence Hall

LEGAL RESERVE FRATERALS

Fraternal Actuaries Program Given

The program of the Fraternal Actuarial Assn. meeting June 7 at Edgewater Beach Hotel, Chicago, will include papers on hospitalization insurance and fraternal benefit societies by Carl A. Tiffany, Tiffany & Thomas, Chicago consulting actuaries; results of a recent reserve strengthening program, by Charles R. Keene, Harley N. Bruce Associates; reducing term insurance, by John Phelps, assistant secretary of Lincoln National Life; and problems in integrating social security with a local retirement plan, by Richard G. Roeder, consulting actuary. There will be discussion of previous papers on periodical operating reports, federal social security legislation and accumulation of surplus under C.S.O. mortality table.

Informal discussion topics are as follows:

I. Payor Benefits

A. To what extent is the payor benefit emphasized in the writing of juvenile certificates?

B. What records are maintained so as to conveniently administer this business such as: (1) cross reference between members who are insured as payors and as regular certificate holders? (2) duplicate address files, etc?

C. What limits are placed on the writing of payor business such as requirement that the payor have a regular certificate with the society?

D. What is the practice in writing the payor benefit substandard?

II. Certificate Changes

A. Has there been an increase in volume of certificate changes in the post-war period and what steps are being taken to keep the volume to a minimum?

B. What methods are being employed when a request is received to change a premium paying certificate to another plan? Is a service fee charged? Are dividends adjusted?

C. What methods are being used to maintain premium payments so that annual, semi-annual and quarterly premiums will not fall due on anniversary date? How does it complicate dividend and loan interest notices?

D. What is the practice in back-dating certificates back to or prior to the original entry date?

III. Production of New Business

A. What steps have proved successful in increasing average amounts of certificates sold to counteract the effects of inflation? At the time of writing the business what higher minimum premium and minimum amount limits have been adopted?

B. What new changes in certificates and policies of management have been successful in stimulating a more effective group of field workers?

C. What is the practice in issuing at a substandard rate the following: (1)

term certificates? (2) family income riders? (3) mortgage redemption riders? (4) supplemental term riders?

IV. Fraternal Statements

A. To what extent is a gain and loss exhibit prepared by fraternal societies for reports to management?

B. What approximate methods are used in computing the information requested in the supplemental valuation report?

Wise Cautions Fraternal Managers Against Oversales

Speaking at the Fraternal Field Managers Assn. congress at Chicago, Donald L. Wise, supervisor at Youngstown, O., for Protected Home Circle, advised hearers that it is much better to present a moderate size contract within the income of the prospective purchaser than to present a larger contract than the customer feels he can afford. He commented: "If I honestly feel that the person is a prospect for a larger amount, that the need is there, but the prospect either hasn't the means to purchase or is reluctant to invest in the larger amount, then I quite naturally intend to get his or her signature on an application for a smaller amount, thus paying the way for additional amounts to be added in the future. I personally have been quite successful in this way and have built up large premium amounts on individual persons," he commented.

He mentioned that he found it much easier to secure the signature on lower premium cases where protection need is topmost and that the addition of family maintenance and family income riders increases greatly the benefits of contracts of this type and with very low additional premium costs to the insured.

Mr. Wise advised the agent to welcome last minute objections as being indicative of the interests of prospects. He said that in raising these objections frequently the prospect wishes to be reassured that his agent has the knowledge, the training and ability to answer the questions.

April business for Lutheran Brotherhood was \$2,898,158 as compared with \$3,350,640 for April of 1949. Total issued business for the year was \$11,290,507 as compared with \$11,892,576.

Housewarming May 23

Government Employees of Washington is giving a reception May 23 on the occasion of the official opening of Government Employees Insurance building at 14th and "L" streets, N. W., Washington.

MANAGERS

Spickard Wis. President; Lange Reviews License Law

OSHKOSH, WIS.—Leland W. Spickard, Bankers Life of Iowa, Milwaukee, was elected president of Life Managers & General Agents Assn. of Wisconsin at the annual meeting here. W. B. Bellack, Appleton, Lincoln National Life, was chosen vice-president, and Jack C. Windsor, Connecticut General Life, Milwaukee, was reelected secretary.

Commissioner Lange of Wisconsin discussed the new Wisconsin life agent qualification and licensing law, which went into effect May 1. Under the law, those desiring to enter the business must pass an examination set up by the department with the assistance of an advisory board of nine, representing Wisconsin companies, general agents and managers, ordinary and industrial agents. In addition to providing examination facilities at Madison, arrangements have been made to have county clerks conduct the examinations on application of residents in their areas, sending the papers to the department for marking and approval.

Present Licensees Exempted

Those engaged in life insurance work before May 1 and already licensed are not required to pass the examination.

Clarence C. Klocksin, legislative counsel Northwestern Mutual Life, gave an "off the record" talk reviewing state and national legislation and economic developments from the standpoint of their possible effects on both life companies and agents.

Supervisors Hear Gruendel

George H. Gruendel, recently appointed general agent for New England Mutual at Chicago, gave some basic requirements for supervisors at a luncheon meeting of Chicago Life Agency Supervisors Assn.

Mr. Gruendel said supervisors must have certain personal qualifications such as enthusiasm, firmness and unquestioned integrity. He also said the supervisor should be effective and well-experienced in handling people. He listed as important that the supervisor have a selling background along with the natural techniques of a teacher.

Evansville Managers Elect

David E. Taylor, National Life & Accident, has been elected president of Evansville, Ind., General Agents & Managers Assn. He succeeds Robert L. Hill, Northwestern National.

B. A. Million, Northwestern Mutual, is vice-president, and Thomas Sykes, Berkshire Life, secretary.

The May party of Columbus managers will be held May 24. Officers will be elected.

The Life Agency Cashiers Assn. of Detroit and Windsor entertained general agents and managers at a cocktail and dinner party. Speaker was Circuit Judge Carl M. Weideman.

Two Deputies in Iowa Department Are Advanced

DES MOINES—Commissioner Alexander has appointed Sam Orebaugh first deputy commissioner, succeeding W. H. Sherin, who resigned recently to join Iowa Medical Service.

Mr. Orebaugh, who has been second deputy and counsel for the department, will continue as counsel. He has been with the department six years and formerly was a Des Moines attorney and a member of the Iowa legislature. He is a graduate of Drake University.

Donald Harlow, superintendent of deposits, was named second deputy. He will continue his former duties.

COMPANIES

Gulf Life Reaches Half Billion in Force Mark

Gulf Life has passed the half-billion dollar mark in insurance in force less than 39 years after its founding. Since Jan. 1 in-force has risen \$31,934,424 as compared to \$27,445,085 during all of 1949.

Guardian Hobbyist Winners

First award winners in Guardian Life's recent hobby show were: Photography, Bernard Brown, stamps, Herbert Mehnen; collections (70,000 match covers), Dr. M. B. Bender, vice-president and medical director; sewing and embroidery, Dorothy Willen; knitting and crocheting, Grace Weststrom Steves; model building, Joseph T. Welch, Jr.; wood, leather and metal work, Dorothy Morehouse; painting, Florence Mechtel; exhibits by relatives, Mrs. William Portela, and wide open, Paul Kindel, hand shaped and wound fishing rods.

Mansfield Home Life Director

Richard H. Mansfield, executive vice-president of Rockefeller Bros., Inc., has been elected a director of Home Life of New York.

Mo. Farm Bureau Life Formed

Farm Bureau Life of Jefferson City has been incorporated with 1,000 shares of \$100 par value stock. It plans to start business with \$150,000 of capital and surplus.

Rice Heads D. C. Assn.

WASHINGTON—The District of Columbia Life Underwriters Assn. has elected as president, Charles P. Rice, Mutual Life; 1st vice-president, Chester R. Jones, State Mutual; and 2nd vice-president, Joseph S. Baldwin, Northwestern Mutual; directors, Mitchell T. Curtis, Lincoln National; Frederick V. McNair, III, Jefferson Standard; and William L. Porte, Mutual Life.

Olson Is N. D. President

BISMARCK, N. D.—Orie D. Olson, North American Life & Casualty, Fargo, was elected president of North Dakota H. & A. Underwriters Assn. at its annual meeting and sales congress here. Jack Konen, Minot, is vice-president, and Mel H. Toussaint, Occidental Life, Fargo, secretary.

A LEGAL reserve fraternal life insurance society for all Lutherans. Thirty-two years old — \$283,878,841.00 in force. Mortality experience 1949 15.95%. Rate of assets to liabilities — 109.09%.



Our representatives' new contract, with retirement program, has been enthusiastically received by our field force. You, too, will be interested.



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THE SUPERINTENDENT OF AGENCIES

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LEGAL RESERVE LIFE INSURANCE FOR LUTHERANS

Herman L. Ekern, President

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PERTINENT STATISTICS

ASSETS Over \$117,000,000

INSURANCE IN FORCE Over \$510,000,000

BENEFITS PAID SINCE 1902 ... Over \$ 53,000,000

AID ASSOCIATION FOR LUTHERANS

Legal Reserve Fraternal Life Insurance

Exclusively for Synodical Conference Lutherans

Home Office:

APPLETON, WISCONSIN

Convention Dates

May 18-19, Fraternal Managers Assn., Edgewater Beach hotel, Chicago.

May 18-20, Florida Assn. of Life Underwriters, Biltmore hotel, Palm Beach.

May 22-23, Life Office Management Assn., spring conference, Hotel Fontenelle, Omaha.

May 22-24, annual meeting of the Home Office Life Underwriters Assn. at the Hotel Statler in New York City.

May 24-26, Life Insurers Conference, annual, Broadmoor hotel, Colorado Springs.

May 26-27, Virginia Life Underwriters Assn., annual meeting and sales congress, Natural Bridge hotel, Natural Bridge, Va.

June 1-2, Life Insurance Assn. of America, spring meeting, Chalfont-Haddon Hall, Atlantic City.

June 5-6, Society of Actuaries, Edgewater Beach hotel, Chicago.

June 5-7, H. & A. Underwriters Conference, annual, Hotel Statler, New York.

June 7, Fraternal Actuarial Assn., Edgewater Beach hotel, Chicago.

June 7-9, Canadian Fraternal Assn., St. Donat, Que.

June 12-16, National Assn. of Insurance Commissioners, annual, Chateau Frontenac, Quebec.

June 15-17, A.L.C. Medical Section meeting, Greenbrier, White Sulphur Springs, W. Va.

June 16, Vermont State Assn. of Life Underwriters, annual sales congress, Burlington.

June 17, North Carolina sales congress, Charlotte.

June 19-30, Life Officers Investment Seminar of American Life Convention, Beloit College, Beloit, Wis.

June 26-27, Texas Life Underwriters Assn., meeting and sales congress, Dallas.

June 26-30, International Assn. of A. & H. Underwriters, on steamer Greater Detroit.

July 6-8, International Assn. of Insurance Counsel, Greenbrier, White Sulphur Springs, W. Va.

July 31-Aug. 11, Annual C.L.U. institute, University of Connecticut, Storrs.

Aug. 14-16, International Federation of Commercial Travelers Insurance Organizations, Lake Louise, Alberta, Can.

Aug. 22-25, Annual advanced underwriting clinic of University of Illinois, Urbana.

Sept. 14-16, Federation of Insurance Counsel, annual meeting, Atlantic City.

Sept. 18-20, International Claim Assn., Greenbrier hotel, White Sulphur Springs.

Sept. 25-27, Life Office Management Assn., annual, Royal York hotel, Toronto.

Sept. 25-29, National Assn. of Life Underwriters, annual, Hotel Statler, Washington.

Sept. 25-28, National Fraternal Congress, annual, Statler hotel, New York City.

Oct. 3-6, American Life Convention, annual, Edgewater Beach hotel, Chicago.

Oct. 23-26, Assn. of Superintendents of Insurance of Canada, General Brock hotel, Niagara Falls, Ont.

Nov. 1-3, Institute of Home Office Underwriters, annual, Fontenelle hotel, Omaha.

Nov. 9-11, Society of Actuaries, annual, Greenbrier, White Sulphur Springs, W. Va.

Nov. 15-17—Annual meeting Life Insurance Agency Management Assn., Edgewater Beach Hotel, Chicago.

Dec. 10-15, National Assn. of Insurance Commissioners, winter meeting, Los Angeles.

Executives Bond Club Guests

Investment executives of Hartford insurers and banks will be the guests of the Bond Club of Hartford at its annual outing and dinner at the Country Club of Farmington June 9. Guests will be present from Boston, New York and Philadelphia.

Would Hike N.J. TDB Benefits

The New Jersey house has passed a senate amended bill to increase maximum benefits under the state's disability benefits law from \$22 to \$26 weekly. The governor had asked for a maximum of \$30 weekly. The bill was subject to final senate clearance.

William R. Mearns has been appointed vice-president of the James G. Ranni agency of Manhattan Life in New York City. He has been in life insurance for 15 years. Prior to joining the Ranni agency he was with Continental Assurance and Travelers in New York City. He is an army veteran.

Dwight N. Clark, 2nd vice-president and comptroller of Phoenix Mutual Life, recently observed his thirty-fifth anniversary with the company. He was presented luggage and other gifts from home office associates and with a book of testimonial letters from cashiers and agency members throughout the country.

Selection of Charles A. Colby as New England Mutual Life's first "Rookie-of-the-Year" was one of the highlights of the company's Leaders Association annual convention. The Topeka agency took top honors in production, type of business, territory, contribution to the agency and amount of previous experience.

Bober Brooklyn Manager



Irving S. Bober agency manager.

New England Mutual Life has appointed Irving S. Bober manager at Brooklyn, effective June 1.

Mr. Bober started with Prudential in 1937 as an agent, became supervisor at Brooklyn in 1943, advanced to brokerage manager in 1946, and 3 years ago was made assistant

New Agreement Form for Handling Settlement Options

Connecticut Mutual's "autoplan" agreement form with which its agents can arrange settlement options for policyholders is comprehensive enough to fit the needs in about 30% of all option elections. An increasing number of companies is developing these forms to meet the demand for the arrangement of proceeds under settlement options under which almost 50% of all policy proceeds are now paid.

With the form the policyholder, on the agent's advice, can select his own agreement. It avoids several exchanges of letters with the home office. The plan also effects other savings. The standardized settlement options on the form are coded on an electric typewriter. Except where specific dates or names must be inserted a clerk at the home office needs only to punch a given key and the entire agreement is perfectly typed on the policy form. This avoids errors and saves time in policy proof-reading because only the code numbers need be checked.

John P. Williams of American College addressed the Richmond C.L.U. chapter at a luncheon meeting.

Home Office Visits from Field Men Arranged

A large company recently began to encourage visits to its home office from field men and their families when they were in the vicinity. To handle the tours supervisory personnel from home office departments were designated to take visitors through the building to visit spots of interest. One of the places visited was the office of the president.

The president was surprised to hear some weeks after the tours started that one of the home office supervisors liked the idea because it gave him a chance to get around and see the building after having worked in it for many years. He had never seen the president's office until the tour program started.

Prudential has transferred District Manager George M. Gump from Oil City, Pa., replacing Stanley G. Smith. Mr. Smith becomes district manager at New Castle succeeding James E. Deegan, retiring 41-year Prudential veteran. Mr. Smith has been with the company since 1923 and Mr. Gump since 1934.

National Life of Vermont's April sales were up 15%, totaling \$8,035,493.

Problems Shared are Problems Solved

Crown Life Agents know that their problems are our problems too. We work together in solving them.

CROWN LIFE

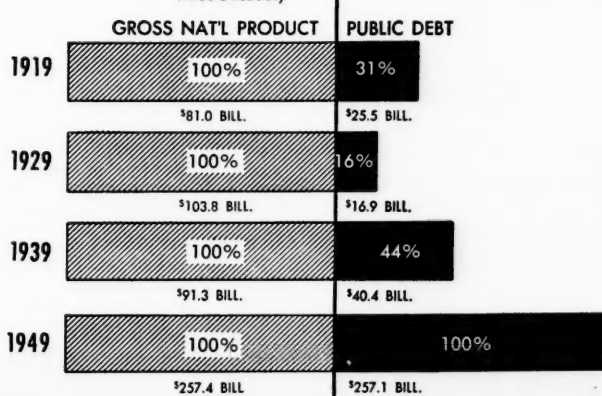
1900 INSURANCE COMPANY 1950

HOME OFFICE, TORONTO, CANADA

The Crown Life is now licensed to operate in Alaska, Arizona, California, Hawaii, Idaho, Indiana, Louisiana, Michigan, Minnesota, Missouri, New Jersey, New Mexico, North Dakota, Ohio, Oregon, Puerto Rico, Texas, Virgin Islands, Washington.

GROWTH OF THE PUBLIC DEBT

(Percentage Relationship to Gross National Product for Selected Years Over the Past Three Decades)



SOURCES: U. S. Treasury, Dept. of Commerce, Fed. Res. Board

PREPARED BY INSTITUTE OF LIFE INSURANCE

Cover Osteopath Hospitals

ST. LOUIS—A fight by the local AFL headquarters to have osteopathic hospitals included in the St. Louis Blue Cross plan coverage has apparently been won with agreement by the plan to pay bills incurred by members at the Normandy Osteopathic hospital.

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Employee Benefit Plans

RICHMOND • ATLANTA

Gorman Shows Anti-Trust Danger Zones

(CONTINUED FROM PAGE 1)

formation designed to avoid fraud, approved in *Swift & Co. vs. United States*, 196 U.S. 375, 379 (1905) and *Cement Manufacturers Protective Assn. vs. United States*, 268 U.S. 588 (1925).

Hence, Mr. Gorman believes that individual companies may continue to give factual information regarding claims where policies are held by more than one company on the same risk, provided no indication of action taken or to be taken is included.

Similarly, he sees little risk in the investigation of claims by a number of companies through a common agency or in the use of a common physician to make medical inspections in connection with these claims. This amounts only to a collective device for ascertaining facts which it would be permissible for the companies to exchange. It would save expense and often inconvenience to the claimant. Here, also, indications of action should be avoided.

NOT AFTER ASSETS

Mr. Gorman said that the Southeastern Underwriters Assn. case, which brought insurance into the federal orbit, was not part of a devious plan primarily directed at federal control of the life insurance business and its great assets, but was solely the result of numerous complaints about practices in the fire insurance business. It is a mistake he said, to read into the case a complicated political motivation. Neither is the Department of Justice nor the federal trade commission engaged in planning a great anti-trust attack on the life insurance business, he said, even though some of the results of the S.E.U.A. case may well lend themselves to political maneuvers, and agencies charged with the enforcement of anti-trust laws may be under Congressional pressure to bring about a life insurance investigation.

Mr. Gorman said that in considering the possibility of anti-trust trouble it is necessary to consider all the facts, not just those relating directly to the proposal or transaction under examination. It is the cumulative weight of all these facts and the pattern to be drawn from a number of separate practices that indicate the trouble zones. How does the particular transaction fit into the total competitive effort of the company and of the industry as a whole? What is the purpose to be served by the practice? Does it have a specific utility? How did the idea develop and how will it be carried out? Are there practical alternatives?

Files of Great Importance

These are some of the questions to which answers should be sought, Mr. Gorman said, adding that the correspondence and file materials relating to the subject may be most revealing and are of great importance. The record should be preserved, for one day it might become necessary in proving the good faith of the transaction. The activities should be carried out openly, for secretiveness and mystery only breed suspicion. Full publicity is desirable to avoid misconceptions based on partial or misleading information.

A complete record and accurate minutes may offer full explanations and rebut wrongful inferences at some later date when memory is faulty, Mr. Gorman pointed out. In this connection if company counsel finds out about a memorandum or letter misrepresenting the position of the company with respect to any particular matter, that through poor choice of words, overzealousness, or misapprehension of fact lends itself to an interpretation at odds with anti-trust principles, it is best to correct it at once with a reply or memorandum stating clearly the actual policy of the company with respect to the subject matter and reiterating the proper course.

"There will, unfortunately, always be some employees or even executives with a rather disturbing gift for maladroitness expression, and writings contemporaneous with questioned practices are frequently given greater weight in the court room than is oral testimony," he said. "They are regarded as 'cinematographic photographs' of purposes at the time they were written and attempts to contradict them on the stand may only serve to affect the general credibility of the witness. While current corrective memoranda may be regarded as somewhat self-serving, their effect may be to provide a satisfactory explanation or correction for investigators and avoid the necessity of litigation."

Mr. Gorman suggested that within each company there should be a constant process of anti-trust education, which can be based only on good liaison between executives and counsel, with a clear understanding that it is far better that practices and programs be initially checked by counsel than to try to analyze them later.

Terms Construed Broadly

Such matters as "price" and "terms and conditions of sales" have been construed very broadly by the Department of Justice and the courts and while fairly clear when applied to ordinary commercial transactions, are somewhat more elusive as respects life insurance. He suggested, however, such categories as premiums, dividends, ratings, commission rates, surrender charges and interest rates on reserves, policy loans and installment options, while on the investment side are interest rates, terms of amortization and funders' fees.

It must always be remembered, he said, that written agreements or formal understandings are not necessary to establish illegal contract, combination or conspiracy within the meaning of the Sherman act. Tacit understandings, gentlemen's agreements, even "suggestions" and "recommendations" between competitors may be held to be evidence of binding commitments. The law permits inferences to be drawn from a course of conduct, and inferences of guilt may be drawn from facts which would also support a different conclusion. These inferences may even be drawn where they are in fact not justified. Hence, trade associations must be meticulous to avoid even the slightest appearance of being used as a mask for illegal combination and conspiracy.

Lawyers Discuss How to Improve Agents' Contracts

(CONTINUED FROM PAGE 2)

parties in respect to these training courses, etc. He suggested some such wording as, "If training courses, sales methods and materials, prospect leads, office facilities, or similar aids and services are extended or made available to the agent, it is agreed that the purpose and effect thereof shall not be to give the company control over the agent's time or direction or control over the manner or means by which he shall conduct his business but only to assist the agent in his business."

Codie Bell Now Actuary of Pioneer Mutual Life

Codie D. Bell has assumed his new post as actuary of Pioneer Mutual Life of Fargo, N. D., succeeding I. W. Smith, who has retired.

Mr. Bell, a graduate of the University of Michigan actuarial course, has been with Metropolitan Life and Continental Casualty and for the last seven years has been secretary-treasurer of Columbian Mutual Life of Memphis. He served as secretary of the Memphis Kiwanis Club this year.

VA Admits Inconsistency in Dividend Treatment

WASHINGTON—Assistant Veterans Administrator Breining admitted that there is an inconsistency in the dividend treatment between National Service life insurance policies and the U. S. government policies of the first World War. Testifying at the Hardy subcommittee hearing of the House expenditures committee, which is investigating NSLI, Mr. Breining conceded that there was legal authority to transfer from appropriations amounts to cover the annuity differential under the U. S. government program, as was done with NSLI to cover the greater cost under the settlement options.

"We probably should have billed the appropriation," said Mr. Breining, explaining that the amount was small and the administrative difficulty would have been costly. He admitted that "we may be subject to dereliction of duty to policyholders."

Gordon D. McKinney, actuary of National Assn. of Life Underwriters, was one of the witnesses at the hearing. He testified on the use of the American experience mortality table, the annuity situation, the NSLI approach and other technical matters involved in NSLI administration.

Staff and Work of FTC Is Being Reorganized

WASHINGTON—Reorganization of federal trade commission staff and work involves a number of changes touching the handling of insurance matters.

Henry Miller who, as head of the trade practice conference bureau, has had charge of the mail order insurance and auto finance "pack" trade practice conference proceedings, is promoted to associate general counsel in charge of industry cooperation.

The trade practice conference bureau becomes a division of a new bureau of industry cooperation. James A. Horton, former director of the bureau of legal investigation, becomes director of the new bureau, with P. B. Morehouse, former head of the bureau of stipulations, as associate director and chief of the new division.

That bureau also includes a division of stipulations headed by W. B. Snow, Jr., which will handle settlement of complaints through agreement between FTC and respondents.

Edward W. Thomerson, who has been in general charge of certain insurance work of the commission, is named assistant general counsel in charge of insurance and trade-marks.

A bureau of deceptive practices is set up, headed by Richard P. Whiteley. It will handle false advertising matters. Under him, Joseph W. Powers, who has had charge of certain field work in connection with marine and other insurance investigations, becomes chief of the division of investigation at this bureau. The same bureau includes a division of radio and periodical advertising headed by Donald B. Catling, and a litigation division headed by Daniel J. Murphy.

The FTC sets up a new bureau of restraint of trade, which will handle all anti-monopoly work, with Joseph E. Sheehy as the head man.

The investigation of anti-monopoly cases will now be coordinated with the trial of these cases.

\$670,000 for Medical Research

Life insurance companies of the United States and Canada will give \$670,000 to medical schools and other research centers during 1950 for the study of heart disease and the training of research scientists. The awards were approved at the annual meeting of the Life Insurance Medical Research Fund, and bring to \$3,200,000 the total amount given out by the fund since it was organized late in 1945. Last year the fund received the Lasker award from the American Public Health Assn. for its contributions to the advancement of medical science and public health.

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THE RIGHT GUESS... THE WRONG WEIGHT

As anyone could guess, the man on the scales weighs more than he should. Like some 42 million other Americans who are overweight, his excess pounds may affect not only his appearance, but his health as well.

How much should a person weigh? Some doctors say that proper weight at age 25 to 30 should be maintained throughout life. Most

people, however, gain weight as they grow older.

The average increase during or after middle age is about 15 pounds. To avoid this, it is wise to follow the doctor's advice about diet, exercise, and living habits, especially after age 30.

If overweight should occur, it is usually possible to reduce to proper weight simply and safely under medical guidance.

Some ways to reach and keep your best weight

See your doctor before attempting to reduce. Virtually all cases of overweight are due to overeating. Some cases, however, may be complicated by other conditions.

After a thorough examination, the doctor can determine whether or not you have complications that require special medical attention. He can also decide how much weight you should lose, and advise approved methods by which you can lose it safely.

Follow your doctor's advice about diet. Authorities say that weight loss usually should not exceed 6 to 8 pounds a month. A diet that causes more

rapid loss may fail to provide food elements the body needs.

So let the doctor recommend the kinds and amounts of foods that will protect health and strength while you are reducing. It is also wise not to take any reducing drug except under a doctor's supervision.

Rely on your doctor to recommend proper exercise. Excess weight strains the heart and other organs—and too much or the wrong type of exercise may add more strain.

Some physical activity is an aid in most cases, for it may help to use up food that might otherwise turn into

fat. Only the doctor can determine the types of exercise that will be effective and safe in your reducing program.

Even after reducing, people with a tendency toward overweight often put on extra pounds again. This can usually be avoided by following a medically supervised daily routine.

For more facts about overweight, send for Metropolitan's free booklet, "Overweight and Underweight." For example, it contains tables of desirable weights, suggested low-calorie menus and caloric values of nearly 300 foods.

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Metropolitan Life Insurance Company

(A MUTUAL COMPANY)

1 MADISON AVENUE, NEW YORK 10, N. Y.



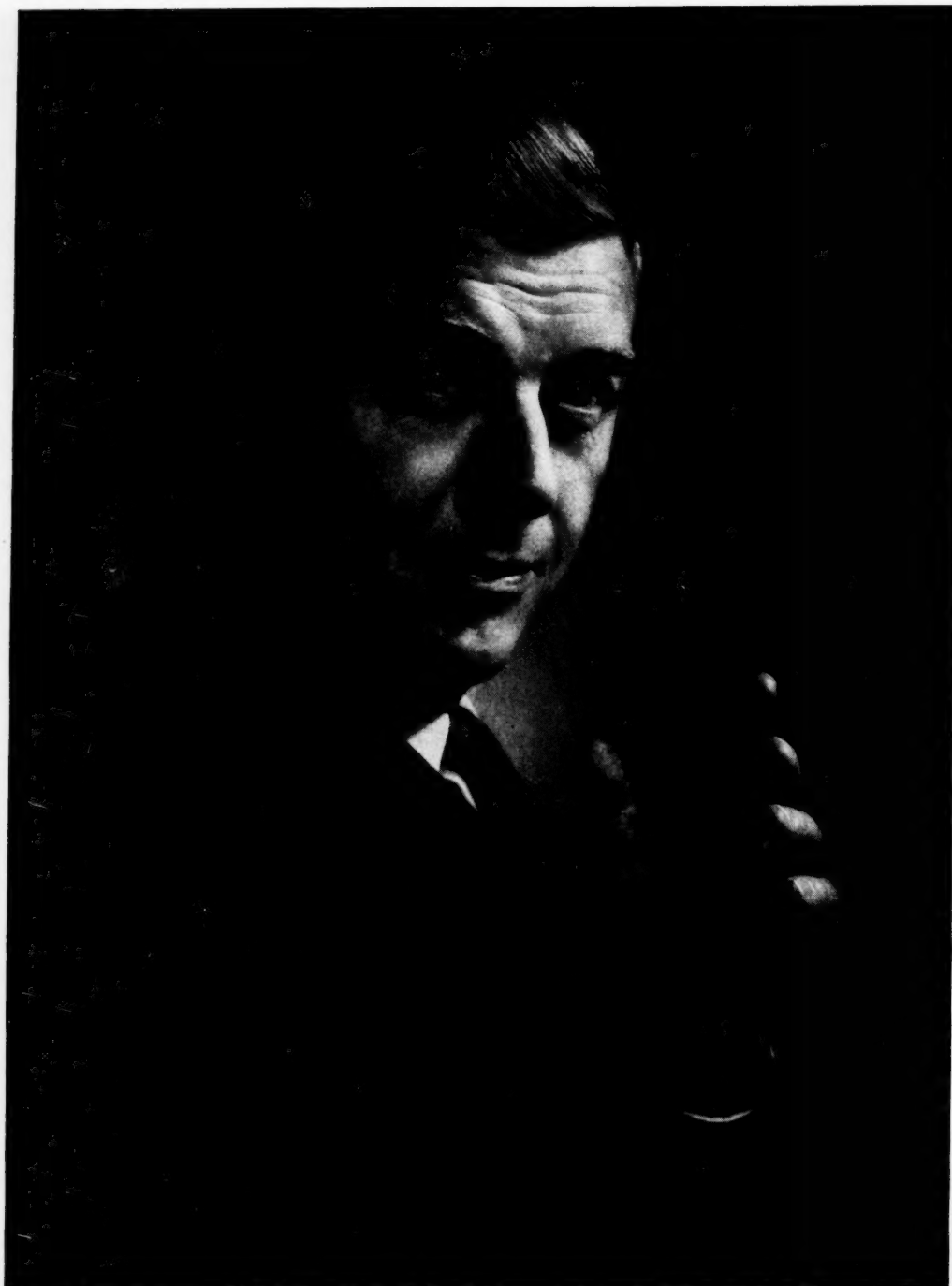
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A statement of interest to young men who wish to plan a secure future

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